

**ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE**

March 12, 2019

1:30 p.m.

MEMBERS PRESENT

Representative Louise Stutes, Co-Chair
Representative Harriet Drummond
Representative Andi Story
Representative Dave Talerico

MEMBERS ABSENT

Representative Adam Wool, Co-Chair
Representative Matt Claman
Representative Sara Rasmussen

OTHER LEGISLATORS PRESENT

Representative Ortiz

COMMITTEE CALENDAR

ALASKA MARINE HIGHWAY SYSTEM

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

ERNIE WEISE, Natural Resources Director
Aleutians East Borough
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KATIE COTZ
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DENISE MAY
Port Lions, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MICHEAL HOLDEN

Port Lions, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LESTER LUKIN

Native Village of Port Lions

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JAMES MCCURDY

Kenai, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARIAN ALLEN

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

HARVEY BRANDT

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARY MEHLBERG

Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

NEIL KELLY

Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DAVID BERG

Viking Travel and Alaska Ferry Vacations

Petersburg, AK

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JULIE HURSEY

Petersburg, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ALAN LANNING, Cordova City Manager
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JEFF GUARD
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MIKE SIROFCHUCK
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AIMEE WILLIAMS, Executive Director
Discover Kodiak
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOYCE FRANK
Angoon, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RON SOMERVILLE
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GENEVIEVE KNUDSON
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DENNIS WATSON, General Manager
Inter-Island Ferry Authority
Craig, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ERIC GUCKER
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARY LYNNE DAHL

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GENEVIEVE STILL

Anchorage, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BARRETT FLETCHER

Fritz Creek, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LADONNA BOTSFORD

Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ROB FIX, Executive Director

Port of Bellingham

Bellingham, Washington

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

WALT WELLER, Mayor

City of Pelican

Pelican, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

FRANK KELTY, Mayor

City of Unalaska

Unalaska, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JILL JACOBS

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DENNIS ZADRA

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DAVID THOMAS, Business Owner
Sentinel Coffee LLC
Gustavus, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

WAYNE CARNES
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ROBB ARNOLD
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

TOM PANAMAROFF, President
Koniag, Incorporated
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GREG WAKEFIELD
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GERRY HOPE
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VICKI NOVAK
Ouzinkie, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SLASH SELIGMAN
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CORY THOLE
Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARY WEGNER, Ed.D.
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

FRANK JIMMY
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CAROL TREIM
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARILYN MORREY
Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MICHAEL TRUEX
Petersburg, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GAYLE EASTWOOD
Petersburg, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANDREW SMALLWOOD
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SYLVIA LANGE, Business Owner
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KARL BECKER
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SARAH PHILLIPS, Community Relations Director
Chamber of Commerce
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

FRANK SCHIRO, Executive Director
Chamber of Commerce
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ROY SMITH
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DARLENE BRETKREUTZ
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DONALD WESTLUND
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BUCK LINDEKUBEL
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SHAWN BIESSEL
Homer, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LORETTO JONES
Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GAVIN HUDSON
Metlakatla, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

NICKI SHELTON

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RENN NELSON

Steamboat Bay, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DAN BAXTER

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ESTE FIELDING

Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JANA RING

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LIBBY STORTZ

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANN GRISWOLD

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KATHY NIELSON

Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JANIS JOHNSON

Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JACKIE TYSON

Petersburg, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KATHI REIMER
Petersburg, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

NORM CARSON
Pelican, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JANET KUSSART
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RICH LYON
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RORIE WATT
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BRIDGET SMITH
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

STACY OLIVER
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CRAIG SMITH
Juneau, Alaska
POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SHAUN NELSHAM
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PETE MICKELSON
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARC CARREL
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KRISTIN CARPENTER, Executive Director
Copper River Watershed Project
Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SCOTT ADAMS
Homer, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CAMILLE FERGUSON
Sitka Tribe of Alaska and the American Indian Alaska Native Tourism Association
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VAUGHN HAZEL
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANNE POLLNOW
Sea Level Consulting, LLC
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SARAH EPTON
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LAURIE CRAIG

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PAT BRANSON, Mayor

City of Kodiak

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GEORGE SMALLWOOD

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOEL PROBST

Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARIE ROSE

Haines, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOSEPH RIDLEY

Metlakatla, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SETH HOWARD

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOEY TILLSON, Ketchikan Chapter Vice President

Alaska State Employees Association

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DANIEL CHRISTENSEN

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CATHERINE GOODWIN
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VICKY JOE KENNEDY
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SHANNON ADAMSON, Regional Representative
Masters, Mates, & Pilots
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

NICOULOUS ADAMSON
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JAIME BRICKER
Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARLA HOWARD, Councilmember
Kake City Council
Kake, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LORETTA RICE
Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CHRISTIE JAMIESON
Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JENNIFER DOZIER
Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VICKIE BUNESS

Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MIKE LOCKABEY

Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PATRICIA RELAY, Board President

Valdez Convention & Visitors Bureau

Valdez, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DAVID KENSINGER

Petersburg, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LINDA SLAUGHT

Petersburg, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BOB BEHREND

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MICHELLE HAHN

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CAROLYN ROSEVERY

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PAUL JOHNSON, President and CEO

Highliner Consulting Group, LLC

Anchorage, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

HEATHER MCCLAIN

Anchorage, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

TANIA HARRISON

Cordova, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JEB MARROW

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PATRICIA ALEXANDER

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VALERIE BROOKS

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DORINDA KEWAN, Mayor

City of Port Lions

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PAT HOLMES

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JENNIFER TORSSSEN, Board Member and Clerk

Ouzinkie Native Corporation and the City of Ouzinkie

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANDY KHMELLEN

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DAVID BELL

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ERLING WALL

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BRIAN LEAD

Douglas, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANN MCPHERSON

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AMY SWEENEY

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RENEE TRAFTON, Owner and Chef

Beak Restaurant

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MATT TRAFTON

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARTINA KURZER

Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANN PHIPPS GRAHAM

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JESSICA WALLIN

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CLAUDIA BOYD

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KEVIN NYE

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PATRICK WELS

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ANDREW CREMATA

Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JERI CHESLOCK

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

INGRID CUMBERLIDGE

Sand Point, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LILLY JAMES

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JILL BOSKOFSKI

Ouzinkie, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GARY BOSKOFSKI

Ouzinkie, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KATHERINE PANAMARIOFF
Ouzinkie, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SAM STEPANOFF
Chignik Lake, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JIM STERNS
Homer, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ROBIN SHERMAN
Sitka, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

RANIYAH BAKER
Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SALLY DYBDAHL
Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DENISE FAGER
Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BRIAN HIMELBLOOM
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOANN BARSIC
Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DALE PIHLMAN

Ketchikan, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CARL BRODERSEN

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CHELSEA GAGNON

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CATE ROSS

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DESIREE RODRIGUEZ, President

Health Care Unit 2201 of the International Longshore and Warehouse Union

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ALLISON QUIGLEY

Craig, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KATIE CRANEY

Haines, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

NICHELLE ROTIER

Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

VIRGINIA LONG

Skagway, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MELODI ANDERSON
City of Ouzinkie
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CASEY JANTZ
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MICHAEL BOURAY
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KARLA BOURAY
Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LLOYD JIM
Angoon, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

BROOKE LESLIE, Co-Owner
Alaska Waters
Wrangell, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AMY RYDER, Union Treasurer
Local 200's Healthcare Unit 2201, International Longshore and Warehouse Union
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LIN DAVIS
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

HEATHER PARKER
Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CORDOVA PLEASANTS

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KEVIN SUND

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARLENE ZUBOFF

Admiralty Island, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PAULINE JIM

Admiralty Island, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PEGGY WILLIAM

Admiralty Island, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KIMBERLY PETERSON

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PATRICIA PHILLIPS

Pelican, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JEFFREY PETERSON

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JACK GROMMETT

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARTHA INDRELAND

Yakutat, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KENNETH STEWART

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ALLEN CHRISTENSON

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SEAN MCLEMORE

Kodiak, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LILLIAN WOODBURY

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LAURA STATS

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

CHEYENNE CUELLER

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LATOYA HARTLEY

Village of Port Lions, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SUSAN TYLER

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOHN ERICKSON

Yakutat, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AMY GILSON

Seldovia, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

TINA MARTIN

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

LORETTA PITTMAN

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AARON STCLAIR

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KAY KLIMCZAK

Angoon, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GREG WEAVER

Matsu, Alaska

POSITION STATEMENT: Testified in opposition to the Alaska Marine Highway System.

ROBERT HUTTON

Hoonah, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ALBERTA SALEEN

Angoon, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JAMES HOLCOMB

Yakutat, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

SHERYL KELLY

Kake, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

GILBERT FRED

Angoon, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PETER ANDERSON

Chignik, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

KIMBERLY NATHAN

Metlakatla, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JAMES FOSTER

Haines, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

JOCELYN MILES

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

PATRICK PHILLIPS

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

DARREN MULLER

Ouzinkie, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

MARY KATASSE

Juneau, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

AMANDA DAVIS

Kake, Alaska

POSITION STATEMENT: Testified in support of the Alaska Marine Highway System.

ACTION NARRATIVE

[1:30:09 PM](#)

CO-CHAIR LOUISE STUTES called the House Transportation Standing Committee meeting to order at 1:30 p.m. Representatives Talerico, Drummond, Story, and Stutes were present at the call to order. Representatives Claman and Wool arrived as the meeting was in progress.

ALASKA MARINE HIGHWAY SYSTEM

[1:31:24 PM](#)

CO-CHAIR STUTES announced that the only order of business would be hearing public testimony regarding the Alaska Marine Highway System.

[1:31:26 PM](#)

ERNIE WEISE, Natural Resources Director, Aleutians East Borough, relayed that he has lived in King Cove for over 25 years and understands the value of the Alaska Marine Highway System (AMHS) to the survival of coastal communities. He spoke specifically to the significance of the Tustumena to Southwest Alaska. He stated that about \$22 million is set aside in the Tustumena replacement fund and could be used to leverage federal funds for a new vessel, rather than be re-appropriated. Mr. Weise said, "the ferry is our road ... it's our lifeline." He relayed that closure would impact schools and school activities. He said, "We support transitioning to a public/private venture that could make the ferry system sustainable" as well as the reform initiative proposed by Southeast Conference. He stated that the borough does not support closing the highway while further studying the issue. In closing, he remarked that the Tustumena is one of the few ways that the average person can view and enjoy the Alaska peninsula and the Aleutian islands.

[1:33:45 PM](#)

KATIE COTZ implored the committee members to consider the difficulty of transporting vehicles throughout Southeast Alaska. She emphasized the need for ferries to be accessible by everyone. She expressed her support for funding AMHS.

[1:35:07 PM](#)

DENISE MAY relayed that AMHS is one of the only means of transporting groceries and other goods from Kodiak. She stated that she would prefer AMHS service over the receipt of a Permanent Fund Dividend (PFD). She noted that a large dividend would not adequately compensate for the increased expense of groceries and services. She expressed her support for funding AMHS.

[1:36:36 PM](#)

MICHEAL HOLDEN relayed that AMHS is a "valuable asset" to the Port Lions community, as it transports the food supply, supports businesses, and supports the community's transportation of recyclables. He added that the ferry provides a means of transportation for community members that lack access to skiffs or elderly community members that would be unable to travel on a skiff.

[1:37:30 PM](#)

LESTER LUKIN, Native Village of Port Lions, spoke to the ways in which AMHS "silently" connects Alaska's rural coastal communities. He stated that the ferry service to Port Lions provides a reliable and affordable option for ensuring food security, as Port Lions does not have a grocery store; he noted that freight costs for a standard grocery order can cost more than a charter on the local airline. The ferry transports critical infrastructure supplies; ensures access to healthcare, as weather often limits air and small boat travel; and provides transportation for students to attend school-related sports events. Mr. Lukin noted the convenience of bringing one's own vehicle to transport groceries purchased in Kodiak. He stated that "many, if not all" of the coastal communities served by AMHS already experience poor economic conditions. He compared the role of AMHS to that of a bus service in urban areas, which is designed to meet the needs of residents who cannot afford personal vehicles.

[1:39:54 PM](#)

JAMES MCCURDY relayed that he is a lifelong Alaskan. He stated that keeping AMHS in its full form is critical to the State of Alaska. He relayed that the state is "doing [itself] a major disservice for even contemplating" the elimination of year-round ferry service. He relayed that AMHS is "critical infrastructure" for the communities that rely on ferry service.

[1:41:32 PM](#)

MARIAN ALLEN stated that AMHS is Southeast Alaska's highway, which plays a similar role to the highways in and out of Anchorage. She relayed that a 2014 study conducted by the McDowell Group found that AMHS was subsidized for \$117 million and brought in \$273 million in revenue. She discouraged the perspective that AMHS ought to be solely by fares; she stated that there is not a single ferry system in the world that is self-supported. She suggested that AMHS become an income tax supported corporation. She related her preference for travel by ferry and the potential for AMHS to play a bigger role in Alaska's tourism economy. Ms. Allen closed by saying that the ferry system is Southeast Alaska's highway and suggested shifting AMHS into an independent, but supported, corporate structure.

[1:43:41 PM](#)

HARVEY BRANDT stated that he has grandchildren presently in school who intend to use the ferry for transportation. He relayed that his first memory of using the AMHS was in 1966. He relayed his confusion at the argument that reduced ridership is a cause for reduced scheduling and stated that the inverse relationship would be more accurate. He stated that he finds the possible closure of ferries from October through May "bizarre." He said that shutting ferry service down would be a "disaster for Southeast Alaska and other coastal economies." He stated that the governor's proposed budget could, in effect, drive the state back into a recession. He suggested considering other models of funding AMHS.

[1:45:47 PM](#)

MARY MEHLBERG expressed her agreement with the previous testifiers. She opined that it is "outrageous" to cut funding of AMHS further, as funding has already been reduced significantly. She noted that Valdez has seen road closures due to floods and avalanches, which left the ferry as the only

possible mode of transportation. She implored the committee to remember the needs of coastal Alaska.

1:46:36 PM

NEIL KELLY relayed that he is a 40 year resident of Valdez and owns a business in the tourism industry. He stated that Alaskans need to pay for services through taxes, just as state and federal taxes pay for roads. He said, "Ferries and roads need to be paid for as a legitimate government service."

1:47:49 PM

DAVID BERG, Viking Travel and Alaska Ferry Vacations, spoke in support of long-term funding for AMHS and moving it into a public/private corporation modeled after the Alaska Railroad. He relayed the value of AMHS to the tourism industry and noted that many Alaskans also use AMHS. He stated that uncertainty in the budgeting process and the late release of the summer schedule causes visitors to choose other transportation options, which impacts businesses. He stated that a secure budget would allow AMHS to publish and operate a schedule through the end of the summer. He suggested restructuring AMHS operation into a corporation like Alaska Railroad, which Southeast Conference has also recommended in order to "isolate AMHS from political wars and turf battles" and stabilize its finances. He encouraged the legislature to support long-term funding and move towards a public/private partnership.

1:49:51 PM

JULIE HURSEY relayed that she and her husband have a charter boat business that runs from early May to late September, which depends on travelers from the ferry. She noted that other businesses in Petersburg depend on the ferry system year-round for freight and transportation and that it's an "economic driver" for Petersburg. She stated that AMHS serves as the community's highway, which are expensive to maintain but are "essential infrastructure" for a healthy economy. She urged the committee's support of AMHS and asked that they not use cuts to balance the budget. She stated that she would prefer a reduced PFD and a small income tax to the loss of AMHS.

1:50:57 PM

ALAN LANNING, Cordova City Manager, stated that each reduction or elimination in ferry service negatively affects citizens

ability to travel, the ability to transfer goods and services, schools and education, tourism and the development of a self-sustainable economy, and Cordova's economy. He relayed that Cordova supports a consistent and reliable ferry system.

[1:52:03 PM](#)

JEFF GUARD stated that he is a year-round resident of Cordova, has lived in Alaska for 36 years, a commercial fisherman, and is a member of the Cordova City Council. He asserted his support for a fully funded ferry system and shared that a recent survey of Cordova residents showed that protection and improvement of AMHS to be a top priority. He said, "The draconian budget cuts as proposed in the governor's budget will do nothing but destroy economies and communities served by the marine highway system." He relayed that there is a 68.3 percent cut to AMHS in this year's proposed budget, while the central region's highway system budget had a zero percent cut, the northern region has had a 0.6 percent cut, and the south coast region has a 1.9 percent cut. He suggested that AMHS users are being asked to carry the whole burden of the marine highway costs while other highway users are not.

[1:53:45 PM](#)

MIKE SIROFCHUCK stated that "the ferry is our road" and that the government ought to pay for AMHS as a basic service. He relayed that the ferry is used for the transportation of vehicles, by small businesses that pickup supplies on the mainland, by school sports teams, and by pet owners. He related that other countries have extensive and well used ferry systems, and that Alaska should be no different. He emphasized the role of AMHS in Alaska's tourism industry and economy.

[1:55:05 PM](#)

AIMEE WILLIAMS, Executive Director, Discover Kodiak, emphasized the role of AMHS in bringing tourists to Kodiak, which is "an extremely valuable diversification tool when it comes to creating alternative revenue streams for Kodiak Island." She stated that Alaskans also travel to Kodiak for weekend visits. She relayed that, as a United States Coast Guard (USCG) family, she and her family moved to Kodiak on a ferry, as did 139 out of 140 other USCG families. She shared that, without the ferry system, these families would not have travelled through mainland Alaska, where they purchased goods unavailable on Kodiak.

1:56:25 PM

JOYCE FRANK stated that she was representing the needs of the Angoon community. She mentioned that her son, sitting beside her, is special needs and that she was also speaking on behalf of those that are handicapped who use AMHS to access healthcare. She relayed that Angoon is a small village that isn't connected to the road system; community members often travel to Juneau for community functions or celebrations. She shared that she and her husband rely on the ferry for access to healthcare, as do elders who are often unable to use small sea planes. She asked that the committee hear her voice and the voices of other small communities in southeast that are not connected by roads.

1:58:02 PM

RON SOMERVILLE noted that he is a lifelong Alaskan resident and grew up in Craig. He expressed his support for the construction of a road as a means to increase access to the ferry system. He stated that the ferry is a crucial means of transportation.

1:59:14 PM

GENEVIEVE KNUDSON relayed her concern about AMHS cuts. [Due to technical difficulties, portions of this audio are indiscernible throughout.]

2:00:07 PM

DENNIS WATSON, General Manager, Inter Island Ferry Authority, stated that he served for 29 years as an elected official for the City of Craig, is the president of Southeast Conference, and has served as the chairman for the AMHS Reform Committee. He urged the committee to take all possible measures to keep AMHS fully functional. He stated that the governor's proposed budget cuts and the hiring of a consultant is a direct effort to curtail ferry service permanently. He relayed that AMHS provides northern access to other southeast communities, mainland Alaska, and acts as a southern access point. He requested that the committee preserve AMHS.

2:01:39 PM

ERIC GUCKER stated that he became employed by AMHS 32 years ago and that he is currently a chief purser, but is also speaking as an end user and a stakeholder. He expressed his strong opposition to the governor's proposed 75 percent cut to AMHS.

He stated that ferries are not an optional mode of transportation for tourists but are a "critical lifeline" for residents and has a statewide economic impact. He stated that AMHS transports local and visiting families, international travelers, people of all ethnicities for cultural events, patients traveling to access healthcare, students traveling to and from music and sporting events, military families changing duty stations, construction equipment and building materials, refrigerated cargo containers, and food. He stated that a more equitable solution would be reducing all sectors of state government equally.

[2:02:55 PM](#)

MARY LYNNE DAHL relayed that she has lived in Ketchikan for over 20 years and that she will be speaking as a citizen and as a certified financial planner professional (CFP). She noted that, as a CFP with over 35 years of experience, she builds budgets and financial plans and solves financial problems. She shared that she reviewed the governor's budget and "consider it a disaster" and that, in her professional opinion, the budget is "simplistic and will not work." She emphasized that, as a citizen, "any PFD amount" is not worth the reduction in spending on AMHS or education. She stated that budget cuts "as draconian as these" are cruel and misguided. She emphasized the vital role of AMHS in the routine business and daily welfare of thousands of Alaskans and stated that elimination would ultimately lead people to leave the state. She conveyed her strong objection to the elimination or disablement of AMHS prior to establishment of viable and functioning alternative.

[2:04:38 PM](#)

GENEVIEVE STILL relayed that her family lives in Kodiak and that she grew up in Perryville. She shared that she uses the ferry system for transporting her vehicle to do subsistence fishing because it is less expensive than other modes of travel.

[2:05:15 PM](#)

BARRETT FLETCHER stated that he would be reading a prepared statement on behalf of his daughter, who works remotely and seasonally out of Cordova and Kodiak. He continued, as follows:

As a lifelong Alaskan I have always enjoyed taking the ferries of AMHS. In recent years I have come to rely heavily on the marine highway to be an affordable way

for me to get from my seasonal jobs in Cordova and Kodiak. Walking onto the ferry, I know I'm going to get where I'm going. Walking onto the ferry, I can afford to take all of the supplies and equipment I need for months of remote work. Walking onto the ferry, I know I'm going to enjoy my journey far more than airport time and multiple flights I would otherwise have to endure. And I'm one of the lucky ones, living on the hard road system and taking the ferry simply because it makes my life easier. What happens to all of those people that suddenly can't shop at Costco and bring their groceries home anymore? What happens to all those people that need to bring a new or old car from Anchorage to their isolated community?

MR. FLETCHER added that, if any part of the highway system were to be privatized, it would be much simpler to privatize the Glenn Highway than the entirety of AMHS' infrastructure.

[2:07:17 PM](#)

LADONNA BOTSFORD shared that she was born and raised in Wrangell, has been riding AMHS for her entire life, and is currently an AMHS employee. She remarked that she finds it deplorable that a governor could hold such a position and think that it is acceptable to slash such a primary form of transportation, which connects coastal communities to the rest of the state and the country, without considering the impact it may have upon the communities. She emphasized the extent of the detrimental cuts upon Southeast Alaska's communities, and noted that students would be unable to participate in sports and music events. She relayed her hope that a solution could be found to preserve AMHS, such as privatization or another restructuring.

[2:08:36 PM](#)

ROB FIX, Executive Director, Port of Bellingham, stated that the Port of Bellingham is the southern terminus of AMHS and has been so for the last 30 years. He stated that AMHS is Alaska's connection to the lower 48 and the national road system. He shared that Bellingham's northern run is always full in the summer and carries reasonable passenger loads in the winter, fall, and spring; he furthered that this run generates the greatest farebox revenue for AMHS. He recognized the State of Alaska's budget pressures and the subsidies required to sustain

the marine highway connection to Bellingham and urged the legislature to maintain year-round service to Bellingham.

2:09:39 PM

WALT WELLER, Mayor, City of Pelican, relayed concern on behalf of Pelican's residents and businesses that the already reduced ferry service might be eliminated. He stated that the guaranteed freight service provided by AMHS is vital to the infrastructure repairs that the City of Pelican undertook as part of a revival. He stated that the ferry is Pelican's "economic highway" and necessary for rebuilding the community and businesses, which allows them to contribute to Alaska's economy and reputation as a seafood supplier. He concluded that the City of Pelican supports a continuation of the existing ferry service for all of Southeast Alaska.

2:10:45 PM

FRANK KELTY, Mayor, City of Unalaska, expressed his shock and dismay at the proposed budget cuts to AMHS. He stated that, in Southwest Alaska, the marine highway system is the road system. He asserted that communities reliant on AMHS shouldn't be treated differently than communities on the road system. He stated, in closing, that the state ought to reevaluate the PFD program and consider new sources of revenue.

2:12:27 PM

JILL JACOBS stated that she and her family have used AMHS for the last 45 years and exclusively for the last 15 years. She mentioned the loss of the freight contract several years ago and the monopoly held by barge companies. She remarked that the state dollars allocated to the study of roads and a "bridge to nowhere" could have gone to AMHS.

2:14:11 PM

DENNIS ZADRA relayed that he was calling in while aboard the Aurora, in transit from Whittier to Chenega. He stated that he owns a guiding business and purchases supplies in Anchorage. He shared that he would "gladly give up" his entire PFD to sustain AMHS. He indicated that the proposed cuts would isolate rural Alaska and communities that lack access to the road system.

2:15:04 PM

DAVID THOMAS, Business Owner, Sentinel Coffee LLC, shared that he has used the ferry for the last four years for the operation of his business, but that the schedule has become increasingly erratic and is no longer usable. He relayed that with continual cuts AMHS would naturally "flounder" and people that would have used the ferry will choose not to. He stated that the economy of Gustavus would suffer because of the proposed cuts to AMHS. He shared his support for AMHS' funding.

[2:16:23 PM](#)

WAYNE CARNES stated that infrastructure is an essential responsibility of government. He relayed a situation in which Fairbanks' Steese, Parks, and Richardson Highway are closed and Anchorage's Glenn and Seward Highways are closed. He posited that the highways open Monday, Wednesday, and Friday for one hour. He stated that this represents the access the coastal communities have for ferry service and that shutting AMHS down would be the equivalent of shutting down all of the previously referenced highways. He shared that he's "more than willing" to give up his PFD and pay an income tax to fund essential government services, such as AMHS.

[2:17:35 PM](#)

ROBB ARNOLD shared that he is an employee of AMHS but is speaking as an Alaskan. He questioned the cost of the reform project, privatization plans, and the hiring of a marine consultant. He inquired as to whether or not there has been a study to examine the cost savings of a new management system that would collaborate with "labor" to fix the system presently in place. He emphasized that labor is willing to help and wants to find efficiencies in the system.

[2:18:28 PM](#)

TOM PANAMAROFF, President, Koniag, Incorporated, relayed that the Kodiak archipelago includes Kodiak and six surrounding villages, three of which receive service from AMHS. He stated that Koniag, Inc. supports the continued operation of AMHS and opposes the proposal to shut the system down on October 1, 2019. He relayed that Koniag, Inc. also opposes the proposal to re-appropriate the Tustumena replacement funds, as the ship is in dire need of replacement. He also urged the committee to ensure that AMHS continue to take reservations for sailings after October 1, 2019 due to the concern that reduced ridership in the

fall could support arguments of defunding the system in the future.

2:19:34 PM

GREG WAKEFIELD relayed that he operates his business in Anchorage but has offices in four coastal communities, Fairbanks, and Palmer, giving him a statewide perspective. He shared that, without the services provided by AMHS, companies such as his would not be able to serve southeastern communities or Kodiak. He relayed that he previously served as a member of the "reform committee," which presented two studies to the legislature and resulted in the introduction of legislation. He shared his dismay that there are additional studies being done while adequate information has already been presented.

2:21:30 PM

GERRY HOPE relayed the importance of AMHS to coastal communities. [Due to technical difficulties, portions of this audio are indiscernible throughout.]

2:22:04 PM

VICKI NOVAK relayed that she lives on an island near Kodiak island and AMHS provides one of the few methods of transportation for goods and vehicles. She stated that it is a vital highway to the area.

2:23:03 PM

SLASH SELIGMAN stated that she is speaking for herself and is an AMHS employee. She referenced a study by the McDowell Group, which found that 1700 jobs would be directly or indirectly affected by the proposed cuts as well as 500 vendors and 175 Alaskan communities. She requested that, if another study is necessitated, the committee consider feedback from crewmembers and the ships' engineers.

2:24:24 PM

CORY THOLE relayed that he has been a resident of Skagway for 28 years and that regularly scheduled ferry service is directly related to his family's quality of life. He referred to AMHS as a safe and reliable mode of transportation to travel within Southeast Alaska and out-of-state. He relayed that, for his family of four, it is cost prohibitive to fly round trip from

Skagway to Juneau. He stated that the increased cost of flying round trip twice would equal the proposed increase in the PFD. [Due to technical difficulties, portions of this audio are indiscernible throughout.]

2:25:37 PM

MARY WEGNER, Ed.D., noted that she is the Superintendent of the Sitka School District. She stated that AMHS plays a vital role in supporting public education in Southeast Alaska. She relayed that, in the week prior, the Region V basketball tournament took place in Sitka from Tuesday to Saturday with over 500 students and 100 chaperones. She shared that 400 of the 600 visitors chose to travel to Sitka by ferry. She stated that AMHS is the preferred method of travel for student activities and that students would travel by ferry every time if the schedule accommodated. As this is not currently the case, students must fundraise enough money to take Alaska Airlines to attend games and events. She stated that in Fiscal Year 18 (FY 18) Sitka High School paid \$221,000 to Alaska Airlines. She stated that this is an example of how adjusting the schedule could increase revenue for AMHS, which provides a relatively low-cost travel option. She requested that AMHS remain viable for coastal communities.

2:26:58 PM

FRANK JIMMY shared that his father, Lee Frank Jimmy, worked for AMHS in the 70s and 80s. He stated that it is vital that AMHS continue to operate. He noted the role that the ferry plays for subsistence families traveling from Juneau to Haines. He relayed his dismay that AMHS was "put on the chopping block" as it is the main highway for travel. He echoed the sentiment of a previous testifier on the importance of the ferry to accommodating travel for school sports.

2:28:13 PM

CAROL TREIM relayed that she was born and raised in Petersburg and used the ferry throughout her upbringing. She stated her support for AMHS and requested that the committee and the legislature be thoughtful and deliberate when speaking about the program. She stated that the governor's administration attempted to justify the proposed cuts by comparing them to the costs of industrial roads, which, she furthered, is not a reasonable comparison as the affected communities reside on islands. She stated that, besides being a poor comparison, this

argument is dangerous, as it pits regions against one another and "foments a divide between Alaskans." She urged the committee and the legislature to consider this when discussing AMHS.

[2:29:30 PM](#)

MARILYN MORREY stated that she was speaking on behalf of a friend from the Yukon. She stated that the proposed reduction in scheduled service in the winter would impact the ability for students to participate in sports and for community members to attend cultural events.

[2:29:53 PM](#)

MICHAEL TRUEX noted the absurdity of the elimination of the ferry system and the simultaneous funding of road construction. He stated that building a functional network of roads and inter-island ferries would be expensive and require at least 20 years to complete. He said that loss of the ferry would limit travel throughout the region, the ability to transport vehicles, and the ability to import foods and other goods. He implored the committee to preserve crucial public infrastructure when a replacement system is decades away and when doing so would only result in the region's decline.

[2:30:38 PM](#)

GAYLE EASTWOOD stated that AMHS is vital to Southeast Alaska for students' participation in school sports, shipping seafood, shipping freight, for moving UCSG members, and for the tourism industry. She stated that no other highway is expected to make a profit; asphalt roads require ongoing maintenance, and ferries should not be expected to make profit to cover maintenance costs. Ms. Eastwood suggested that AMHS be removed from the Department of Transportation (DOT) or that it be privatized. She stated that DOT treats AMHS as "a poor relation." She stated that ridership would increase as a product of a more robust schedule.

[2:31:55 PM](#)

ANDREW SMALLWOOD stated that he is a commercial fisherman and a 40 year resident of Cordova. He relayed that, during the campaign, the governor proposed to "cut the fat" out of the state budget, which is not an unreasonable message for a "conservative republican candidate representing Interior

Alaska." Mr. Smallwood stated that the proposed budget is extreme and radical in the suggestion that AMHS will end after 57 years of operation, which would cut off coastal Alaskan communities from the road system. He stated that there were ways to withdraw ferry services that would have respected the needs of coastal communities and give greater time and funding to search for alternatives. He stated that Governor Dunleavy could have allowed discussion of the propriety of a state government cutting off road access to 70,000 people or the economic consequences of suspending AMHS without any advance planning. He stated that Governor Dunleavy "made wild campaign promises to a particular part of his constituency and then wrote them into a budget that addresses nothing but a crisis of his own making" before passing the matter to the legislature. In closing, he remarked on the need for an income tax.

2:34:16 PM

SYLVIA LANGE, Business Owner, shared that she is a business owner in coastal Alaska and that she and her husband are fully invested as lifetime residents. She relayed that they spend hundreds of thousands of dollars in Anchorage and transport supplies to Cordova with their truck. She stated that she and her husband own the Reluctant Fisherman Inn in Cordova and cancelled their expansion plans when the Chenega was pulled from service as the expansion didn't "pencil out" without AMHS' connection to the road system. She stated that the community needs the roads through which the goods and services arrive, without AMHS' consistency and reliability those purchases will be done elsewhere. She asserted that the budget is in the legislature's hands and that funding AMHS is not a subsidy but an investment.

2:36:01 PM

KARL BECKER asserted the need for a reliable ferry service; the community has been developing a tourism industry and the ferry has been an important element of that growth. In winter, community members rely on the ferry for travel to Anchorage for medical services, shopping, meetings, dining, entertainment, and visiting family and friends. He stated the pertinent concern should be increasing ridership and improving service. He stated that the land highway system does not directly generate revenue and AMHS should not be held to a different standard.

2:37:06 PM

SARAH PHILLIPS, Community Relations Director, Chamber of Commerce, relayed that the Chamber of Commerce hosts the annual Kodiak Crab Festival, which is the second largest funding source for the chamber; the festival is in its 61st year and relies upon AMHS to transport festival rides. She related that without the rides, the chamber can expect to lose between \$8,000 and \$9,000 in ride proceeds. In addition, 25 percent of vendors come from off island, such as Anchorage, Wasilla, Palmer, and Eagle River, and travel to Kodiak by ferry; their absence would lead to an additional loss of proceeds between \$9,000 and \$10,000. She stated that the loss of \$20,000 would "kill" the event and cripple the educational opportunities currently offered.

[2:38:21 PM](#)

FRANK SCHIRO, Executive Director, Chamber of Commerce, stated that AMHS is a critical transportation link for coastal communities and the gulf of Alaska. He stated that Kodiak businesses rely on AMHS to transport goods and that the loss of the ferry would lead to drastic price increases. He stated that removing the ferry service would "cripple" Kodiak's businesses and affect the businesses in Anchorage and elsewhere that are vendors to Kodiak businesses. He stated that AMHS is the only road system for Kodiak businesses and individuals to transport large items and bulk quantities, without which the cost of doing business in Kodiak would be "insurmountable." He expressed his support for funding AMHS at a fully functional level.

[2:39:54 PM](#)

ROY SMITH stated that he was born and raised in Southeast Alaska. He related that he vividly remembers watching the inaugural run of the ferry; he was in the seventh grade and part of the Wrangell narrows was visible from the classroom. He described the event as awe inspiring and recalled the strong desire to be on the ferry. He related that the ferry became an integral part of the fabric of his upbringing with elements of daily planning revolving around the ferry schedule. He relayed that he participated in many school functions because of the ferry system and that it is "truly part of the lifeblood of communities in southeast." He shared that it would be a sad day if the ferry system becomes only a fond memory.

[2:41:22 PM](#)

DARLENE BRETKEUTZ relayed that she was born and raised in Ketchikan. She stated that 1500 jobs would be lost upon AMHS' closure, excluding the shipyard employees, which would devastate the state. She emphasized the vital role that AMHS, as a highway and connection, plays for communities and the state. She stated that AMHS would require subsidization even with privatization and that, like any other road, AMHS isn't designed to make money. She suggested adding bars and gift shops as additional sources of revenue.

[2:42:36 PM](#)

DONALD WESTLUND stated that the general funds' operating budget in 2014 was \$116 million and has since been spent down to \$72 million. He expressed his support for the Tustumena replacement fund and the establishment of a new revenue stream for the state. He suggested that all highways in the interior become toll roads.

[2:43:45 PM](#)

BUCK LINDEKUBEL stated that he was with the Southeast Alaska Conservation Council. He stated that the governor imperiled the state treasury by not conducting an analysis prior to the recommendation of the budget. He relayed that, under federal law, the state is responsible for using federal aid funding consistent with agreements reached with the federal highway system. He stated that if the state doesn't use specific transportation assets procured with federal dollars, then the federal government can "claw back" those dollars. Mr. Lindekubel stated that the Office of Management & Budget (OMB) has not evaluated the fiscal impacts of the governor's proposed suspension of funding for AMHS on the state's treasury, and he asked the committee to do so.

[2:45:03 PM](#)

SHAWN BIESSEL stated that he has been an extensive user of the ferry in Southcentral and Southeast Alaska and is fully supportive of AMHS. He stated that the governor's proposed budget is a "betrayal to rural Alaskans." He echoed the sentiments of previous testifiers and stated that the ferry is the coastal highway system. He expressed his support for continued state ownership, an income tax that includes non-residents, a reallocation of PFD dollars, and an economic analysis by the administration.

[2:46:03 PM](#)

LORETTO JONES emphasized the need for affordable transportation in southeast and other coastal communities, as AMHS is the only highway. She suggested setting up toll booths in northern Alaska. She suggested listening to the requests of the testifiers and the ferry's pursers, engineers, and captains. She relayed that people use the ferry for to access healthcare and to relocate vehicles.

[2:47:04 PM](#)

GAVIN HUDSON noted his affiliation with the Metlakatla Indian Community, Annette Islands Reserve. He stated that Metlakatla strongly supports AMHS and objects to the governor's proposed budget cuts. He stated that AMHS is "not simply a budget line item to be cut." Rather, it is a highway and Metlakatla's lifeline to the healthcare facilities in Ketchikan, the Ketchikan International Airport, Division of Motor Vehicles (DMV), and the state court system. He stated that, by any medical, educational, or economic measure, the impacts of losing AMHS service would be devastating. He asked the committee to reconsider the proposed cuts as the ferry system should be expanded and enhanced, rather than eliminated.

[2:48:20 PM](#)

NICKI SHELTON urged the committee to maintain full funding of AMHS. She relayed her agreement with previous testifiers and her support of an income tax to bolster revenue. She stated that AMHS plays an important role in transporting loved ones' coffins from the Juneau mortuary to Hoonah. She stated that the date of a funeral service is often subject to the ferry schedule.

[2:49:36 PM](#)

RENN NELSON stated that he is a longtime Alaskan resident and supports AMHS. He stated that AMHS ought to be funded by taxes, as every Alaskan needs a highway. He emphasized the need for infrastructure that supports the state and the citizens within.

[2:51:05 PM](#)

DAN BAXTER related that his grandfather was an AMHS employee in the 60s and 70s on the Taku and that he recently began working for AMHS. He remarked that he was speaking on behalf of the

needs of small communities in southeast, as he has lived in Pelican, Sitka, Haines, Elfin Cove, and Juneau. He emphasized the need for AMHS service.

[2:52:26 PM](#)

ESTE FIELDING relayed her affiliation with Dahl Memorial Clinic (DMC) in Skagway. She stated her support of full funding for AMHS. She commented that AMHS is used not only for access to groceries, supplies, and trips to see relatives, but also for children to participate in extracurricular activities. She stated that DMC uses the ferry to transport patients to hospitals with a higher level of care and transports physicians and dentists to Skagway. She remarked that AMHS is Skagway's highway and urged the committee to fund AMHS.

[2:53:16 PM](#)

JANA RING stated that previous testifiers have spoken to her concerns. She imparted that, upon moving to Ketchikan 20 years ago with six children, her family relied solely upon AMHS to travel. Ms. Ring relayed that she currently works for AMHS and enjoys her job and the opportunities it has provided.

[2:54:27 PM](#)

LIBBY STORTZ stated that she is a longtime resident of Alaska and Sitka. She stated that ferries are an essential part of coastal Alaska, as cars are in the interior. She hypothesized about the difficulty of traveling from Anchorage to Wasilla without flying. She hypothesized as to the consequence of defunding DOT's highway maintenance and clearings of snow and slides. She said that ferries are essential and asserted that they generally do not generate profit. She stated that problems have been exacerbated by budget cuts, which destabilize schedules and costs. She relayed her support for Southeast Conference's plan to stabilize finances, which precludes the need for additional studies. She emphasized her support for an income tax that would include non-residents.

[2:55:27 PM](#)

ANN GRISWOLD relayed that she is an AMHS employee and a resident of Southeast Alaska. She stated that AMHS is a highway for coastal communities and holds equal importance as a highway in Interior Alaska. She emphasized AMHS' importance to transporting people to healthcare, students for sports related

travel, groceries, building supplies, heavy machinery, and supplies for infrastructure repairs. She related the importance of AMHS to the tourism industry, which is a critical revenue stream for coastal communities. She concluded by stating, "We need the marine highway in order to have prosperous communities in coastal Alaska."

[2:56:46 PM](#)

KATHY NIELSON shared that she is a business owner of 28 years. She sought to emphasize that AMHS plays a critical role in commerce. She asserted the need for increased transportation and funding to DOT for roads. She encouraged the committee to consider additional revenue sources.

[2:57:46 PM](#)

JANIS JOHNSON stated that she is a 38-year resident of Valdez. She emphasized the importance of AMHS within the state's systems of transportation and as equal to asphalt roads. She stated that the proposed budget cuts disenfranchise rural Alaska, which would have implications for the entire state. Ms. Johnson stated that ferries are essential for transporting basic goods and supporting commerce, healthcare, and schools. She opined that Alaskans ought to contribute to the support of public infrastructure through new revenue streams, such as an income tax and reductions in the PFD allocation.

[2:58:56 PM](#)

JACKIE TYSON stated that AMHS is equally as critical as the highways that connect communities in northern Alaska. She stated that the highway also connects coastal communities to the Alcan Highway, which accommodates travel out-of-state in a vehicle and accommodates transportation of freight and goods to northern Alaska. She inquired as to how much those residents pay to drive on the northern highways and roads, while coastal residents pay to travel on the marine highway. She stated that doing so is expensive and has become unreliable and inconvenient, which decreases ridership. She recollected that ferries used to be dependable, safe, relaxing, and sociable. She said, in closing, that AMHS is coastal communities' connection to the outside world and that, without it, communities would be completely dependent on Alaska Marine Lines and Alaska Airlines.

[3:00:14 PM](#)

KATHI REIMER relayed her agreement with the previous testifiers. She added that AMHS is the only means through which the entire state can connect to the country without passing through a foreign country. She shared her belief that funding AMHS is a state safety issue. She stated that a prior administration supported the construction of two new ferries, which currently sit in Ketchikan; it would be erroneous to eliminate these ferries because the current governor "doesn't care about the importance of reliable ground transportation for all of Alaska." She encouraged the committee to work diligently to preserve AMHS.

[3:01:19 PM](#)

NORM CARSON stated that he's representing the City of Pelican as President of the Pelican Chamber of Commerce. He stated that the ferry service is an economic driver. He relayed that a new seafood processing plant shipped out 100,000 pounds of value-added product last year, employed 24 people, and recently signed a 25 year-long contract. He noted that the business had anticipated expansion but would be in jeopardy without ferry service.

[3:02:30 PM](#)

JANET KUSSART stated that she is a 50-year resident of Juneau. She said, "It's not every year that I have to decide between the ferry system and the PFD," and indicted her preference for AMHS to receive full funding rather than the dispersal of the PFD. She requested that the administration raise revenues and suggested the institution of an income tax. She stated that she does not want AMHS privatized, as the state can adequately manage the ferry system and privatization may increase costs. She stated that she needs to be able to travel with her car out of the state, which would not be possible without a ferry system. She posited closing the Alcan highway to gauge reception.

[3:03:51 PM](#)

RICH LYON related an anecdote of when he, his wife, and 300 high schoolers attending a musical festival were awaiting the arrival of the Columbia. He relayed his hope that the proposed budget cuts would not pass.

[3:05:07 PM](#)

RORIE WATT noted that he is the city manager for the City and Borough of Juneau. He emphasized the importance of AMHS to the health of cultures, economies, and identity of Alaska. He requested that the committee support providing a base level of funding for AMHS and that the committee adopt a deliberative process for considering change.

[3:05:43 PM](#)

BRIDGET SMITH relayed that she has lived in Alaska for 51 years, throughout which she has travelled on the ferry system almost every year and has visited almost every port. She remarked upon the lack of analysis and statistics used by the governor's administration to rationalize the proposed cuts. Ms. Smith asserted that AMHS is essential, much like the highway between Anchorage and Fairbanks, and should not be expected to generate income. She stated that in 1968 she paid an annual school tax and a modest state income tax. She asserted that residents have an obligation to pay for services that support the wellbeing of Alaska.

[3:07:08 PM](#)

STACY OLIVER stated that she is representing herself, her two daughters, and her husband. She imparted that her family moved to Alaska three years ago but have been connected to the state for over 20 years due to AMHS. She shared that most of her talking points have already been voiced. She expressed her belief that AMHS is a vital service to the state. She relayed that she has many close friends who are AMHS employees, some which are very concerned about their livelihoods. She requested that the committee consider the safety issues that AMHS addresses in assisting mariners.

[3:08:36 PM](#)

CRAIG SMITH stated that he was representing Pelican, Juneau, and all of the rural communities. He shared that, as he spoke, he had two trucks on the ferry that were hauling materials, roofing, and food. He emphasized Pelican's need for the marine highway.

[3:09:14 PM](#)

SHAUN NELSHEM stated that he is a teacher and previously taught in Gustavus, though he currently teaches in Unalaska to

communities connected to the marine highway. He relayed that ferries are the principal mode of transportation for teachers and their families around the state and that defunding AMHS will harm education in Alaska. He opined that the state's allotment of the PFD in the current fiscal climate is unsustainable and irresponsible. He relayed that the creators of the PFD were planning for such events and the state must treat the \$60 billion currently in the fund as the account from which to fund services. He suggested a three or four percent rate of withdrawal to ensure that the principal never depletes to zero; with this in mind withdrawing four percent of the fund would yield \$2.4 billion or a three percent withdraw rate would yield \$1.8 billion annually, forever. He stated that, though this would not solve all of the state's budget problems, it would be an improvement and ensure that coastal communities can continue to recruit exceptional educators.

3:11:08 PM

CO-CHAIR STUTES called a recess of the meeting until 5:30 p.m. tonight.

5:30:23 PM

CO-CHAIR STUTES called the Transportation Standing Committee back to order. Representative Wool, Drummond, Story, and Stutes were present at the call to order. Representative Ortiz was also present.

CO-CHAIR STUTES opened public testimony.

5:31:48 PM

PETE MICKELSON stated that he is mayor of Whitshed, near Cordova. He stated that he has relied on AMHS since 1973. He related that it is the singular highway connecting Cordova to Whittier and Valdez. He stated that year-round service is vital for the economy, educational opportunities for kids, music camps, and meetings. He related that fishermen rely upon AMHS to arrive in Cordova in March, April, and May, and to leave in September and October. He suggested increasing AMHS funds by doubling the vehicle fee between Bellingham and Ketchikan and eliminating the ferry run between Valdez and Whittier. He opined that AMHS should be run by a public company, as this may reduce labor costs. He suggested the generation of additional funds by reducing the PFD and the institution of an income tax.

[5:33:16 PM](#)

MARC CARREL stated that he opposes budget cuts to AMHS and the shifting of AMHS to a public/private partnership. He relayed that he is a year-round resident of Cordova and would not have access to the road system without the ferry. He stated that the marine highway is his road; paved highways necessitate expensive maintenance and, yet, do not have the expectation of profitability. He said, "Cordova needs reliable, year-round ferry service to thrive." He asserted that AMHS should not be expected to make a profit and that a public/private partnership, such as the Alaska Railroad, would reduce service and increase prices. He stated that full forward funding would allow for future reservations and schedules.

[5:34:35 PM](#)

KRISTIN CARPENTER, Executive Director, Copper River Watershed Project, relayed that the Copper River Watershed Project is a nonprofit that works on sustainable economic development. She indicated that low ridership is a product of increased cost and inconvenient and infrequent schedules; AMHS cannot be expected to generate revenue with reduced services and increased prices. She stated that the highway system is subsidized through federal funds and that applying a different standard to AMHS would put rural Alaska at a disadvantage. She stated that the ferry service is a large economic driver for coastal communities and that reduced service would hurt economies.

[5:36:17 PM](#)

SCOTT ADAMS expressed his support for fully funding AMHS, funding new ferries, and not allocating funds elsewhere. He shared that he travelled on a ferry 41 years ago from Prince Rupert to Haines. He stated that reducing funding for AMHS would be "economically, a disaster." He remarked that the elimination of AMHS would reduce coastal communities' quality of life.

[5:37:20 PM](#)

CAMILLE FERGUSON, Sitka Tribe of Alaska and the American Indian Alaska Native Tourism Association, expressed her organizations' strong opposition to funding reductions for AMHS. She imparted that AMHS provides a vital economic, cultural, and social resource for tribes. She stated that the American Indian Alaska Native Tourism Association supports growth in cultural tourism

and supported the Native American Tourism and Improving Visitor Experience Act; tribes that are along the ferry routes will be forced to sacrifice economic opportunities without proper access for economic development.

5:38:20 PM

VAUGHN HAZEL stated that AMHS is vital to all southeast communities for commerce, foot and vehicle transportation, and fresh food. He indicated that a land-based highway system to connect the islands of southeast, given the state's budget, is unrealistic. He stated that scheduling reductions raise school operating costs, business costs, and individuals travel costs. He advised that the ferry schedule be determined early to allow adequate time for organizations to plan.

5:39:42 PM

ANNE POLLNOW Sea Level Consulting, LLC, stated that she owns an archeological firm with a territory that spans from Yakutat to Hyder. She stated that she stores necessary equipment in her vehicle and uses the ferry to transport to work sites. Transporting her vehicle by barge would be prohibitively expensive and would "break" her business. She relayed that privatization is an option, but a solution should not devastate the economy or restrict access to medical resources, tourism, and school related travel. She related that she often works on behalf of DOT is cognizant of the disparate funding for land highways and the marine highway. She stated that without another management option that appreciates the marine highway's contributions, the committee ought to support a fully functioning ferry system and consider the installation of toll booths on highways.

5:41:19 PM

SARAH EPTON stated that she is representing herself and her husband, Shawn, who is currently posted on the Aurora. She stated that it is "criminally shortsighted" to defund AMHS, which would create a devastating economic ripple effect. She relayed that the ferry has had a series of cuts in recent years and is no longer a usable resource for many. She opined that Alaskans ought to "agree to invest" in the ferry system, which would, in effect, support Alaskans and "give them an infrastructure within which to thrive and prosper."

5:42:33 PM

LAURIE CRAIG stated that she is a 50 year resident; she took her first ferry ride in 1969 and has used the ferry throughout the time since. She relayed that, at the time and prior to the receipt of PFDs, residents payed a \$10 school tax and an income tax. She urged the institution of an income tax and the disbursement of a modest PFD. She shared that in 2004 and 2005 she worked as a naturalist on the ferry, she attested to the skill, competence, and courtesy of the ferry's crew. She shared that the ferry is a meaningful form of transportation, particularly for the Alaska Native community and for children. She urged full funding of AMHS.

[5:43:46 PM](#)

PAT BRANSON, Mayor, City of Kodiak, imparted her support for statements made by previous testifiers. She stated that this budget indicates a dearth of thought and planning. She noted a lack of transparency with a recent request for proposal (RFP) and the wastefulness of making the RFP when the AMHS Reform Initiative has already been completed. She asked for an explanation behind the reallocation of \$21 million from the Tustumena replacement fund to terrestrial highways. She related her chagrin at hearing comparisons between road costs to ferry costs per mile, and that use of such comparisons is a misuse of data and nonsensical. She urged the committee to request transparency and have research and analysis conducted prior to budgetary decisions.

[5:45:20 PM](#)

GEORGE SMALLWOOD related that he is a longtime resident of Alaska, having arrived by ferry in 1972. He stated that he is a frequent user of AMHS and supports funding it with state revenue dollars. He stated that AMHS is a necessity for coastal communities.

[5:46:15 PM](#)

JOEL PROBST imparted the critical role of AMHS to coastal communities as well as the entire state. He stated that it should remain a state entity to ensure that service is not dictated by private interests. He stated that it is a necessity and a lifeline for coastal communities and residents. He asked the committee to consider the record setting precedent established by the outpouring of support in the day's public testimony.

5:46:51 PM

MARIE ROSE stated her opposition to the proposed budget cuts to AMHS. She stated that she lives in Haines but owns Shoreline Wild Salmon, which operates out of Pelican. She shared that she uses AMHS frequently to travel between remote towns. The functioning of her business is also accommodated by AMHS, for the transport of supplies and shipping of fish. She said, "The Alaska Marine Highway is what connects all of Southeast Alaska; its existence is essential for the well-being of our communities as well as for the strength of local businesses." She urged an end to short sighted budget cuts and support for AMHS.

5:47:58 PM

JOSEPH RIDLEY stated that he is a councilmember of the Metlakatla Indian Community. He related the significance of the ferry connection between Metlakatla and Ketchikan, which is critical for both cities' economies. The ferry system is used for personal travel, for medical transportation, and for students' participation in extracurricular activities. He expressed his hope that the testifiers will be heard and action will be taken against Governor Dunleavy's proposed budget.

5:48:55 PM

SETH HOWARD shared that he was born and raised in Homer and is a lifelong Alaskan. He lived in Anchorage and moved to Juneau in 2011 to work on AMHS. He asked why no one in any administration is being held accountable for the "gross mismanagement" of AMHS funds. As an example, he shared that the dock across Knik Arm, which has never been used and for which the motor vessel (M/V) Susitna was constructed, cost \$12.6 million dollars and sold for \$1.7 million. He relayed that the two Alaska class ferries, the Tazlina and the Hubbard, were built for \$60 million apiece with a design concept incompatible with the current dock infrastructure. He indicated that the people of Alaska are not receiving the best services if AMHS is being mismanaged. He shared his full support of AMHS to serve as a public highway and noted that AMHS generates 40 percent of its operating budget.

5:50:46 PM

JOEY TILLSON Ketchikan Chapter Vice President, Alaska State Employees Association, stated her opposition to the proposed budget cuts to AMHS. She stated that families rely on the means

of transportation to access supplies and medical resources. She noted that 300 jobs would be affected in Ketchikan alone and impact peoples' livelihoods. She noted that people are moving out of state, which indicates a poor economy. She questioned why the oil tax credit has not been lowered, as companies are receiving bonuses without completing contracts. She stated that cutting funding for AMHS should require congruent cuts or tolls for highways in Interior Alaska.

[5:52:10 PM](#)

DANIEL CHRISTENSEN shared that he has worked for AMHS for 15 years. He indicated that attempting to run AMHS like a corporation and reducing services would be a "catastrophically poor decision." He relayed disappointment on behalf of tourists that their experience aboard the ferry differed from their expectations. Mr. Christensen recommended relaxing the schedule to reduce fuel and maintenance costs, which would allow the ships to run at efficient speeds. He asserted that administrators ought to stop neglecting suggestions made by engineers. He disclosed that he has personally witnessed repeatedly deferred maintenance. He suggested investing in a more desirable ferry system, rather than condemning the current system, which would cripple the state. He remarked that people testified with grief and elegantly written statements but were not able to adequately voice their grievances due to the one-minute time limit.

[5:53:44 PM](#)

CATHERINE GOODWIN stated that she has worked at the Ketchikan shipyard for seven years and AMHS represents 70 to 80 percent of the shipyard's work. She relayed that shipyard workers' earnings contribute to the community's economy, as do the various specialists that routinely fly to Ketchikan to inspect vessels. She said that AMHS is southeast's highway and that, like any other highway, it cannot be run like a corporation. She said cutting the budget would affect the economy and would lead to a loss in the skilled workforce in Ketchikan.

[5:54:47 PM](#)

VICKY JOE KENNEDY shared her belief that there has been a misappropriation of funds. She asserted that the legislature is responsible for the proposed budget cuts. She expressed her dismay at the possible loss of Kodiak's ferry service.

5:56:05 PM

SHANNON ADAMSON, Regional Representative, Masters, Mates, & Pilots, relayed that in addition to representing AMHS' licensed staff officers, she is on the Marine Transportation Advisory Board and Southeast Conference's AMHS Reform Committee. She relayed that she previously sailed with AMHS as a deck officer for several years. She attested to the value of AMHS to the employees and the communities and villages it serves. She continued, as follows:

Ships like the LeConte, the Aurora, the Lituya are imperative to the villages they serve. They rely on them for access to groceries, medical care, and many other vital supplies. Ships like the Matanuska, Malaspina, and the Columbia bring visitors that support our local businesses as well as moving locals around. The Kennicott provides a direct connection between the interior and the lower 48 as well as servicing villages and the Tustumena provides a vital link to the Aleutian Chain.

MS. ADAMSON relayed that the majority of AMHS employees are residents of Alaska; employees live, work, and send their kids to school in Alaska and rely on AMHS for their livelihood.

5:57:24 PM

NICOULOUS ADAMSON relayed that he is a 13 year AMHS employee and currently serves as the chief maid on the M/V LeConte. He relayed that village life is a "unique existence" that lacks barge and aircraft service to transport supplies, food, and medicine. He stated that many communities that do have a runway can only handle small aircraft, which may be unusable given winter conditions. He noted that passengers have been riding the ferry for their entire lives, from infancy to an elder's last trip home. He recollected, "One of the most powerful experiences of my career has been to be on board the ship as Angoon welcomes home someone who has passed to be laid to rest. It is truly an amazing ceremony." He noted that when the Guardian Air flight recently crashed near Kake, both the LeConte and the Columbia deviated from scheduled runs to participate in the search for the missing aircraft. He shared that in the case of another oil spill, the Kennicott is designed to act as an oil spill response command ship. He remarked that the benefits of AMHS reach far beyond passenger and vehicle transportation service. He said, in closing, "Continued reliable ferry service

is a part of the coastal Alaska way of life. Cutting this vital link out will decimate this lifestyle."

[5:59:14 PM](#)

JAIME BRICKER stated that she is a lifelong resident of Southeast Alaska. She asserted that the elimination of the ferry would be tantamount to imprisonment of the community members of Southeast Alaska, where weather is often too severe to accommodate aircraft and airplanes have limited capacity. She relayed that AMHS increases access to healthcare and participation in school, sports, tribal, political, community, cultural, and art events. She shared that AMHS also plays an important role in the transportation of groceries and building supplies and supports off-season independent travelers, postal service, community projects, partnerships, and small businesses. She stated that the small communities would not survive without the service of AMHS and that she would accept a smaller PFD.

[6:00:33 PM](#)

MARLA HOWARD, Councilmember, Kake City Council, stated that Kake is located on an island and, without the marine highway, would not survive. She relayed that Kake community members pay the highest rates for fuel, electricity, and food and that small businesses do not survive in Kake. She said that the courthouse was recently "taken" and that there is "no law and order" in Kake and indicated a sense of despair and seclusion. Ms. Howard disclosed that her daughter's life was taken, as well as another young woman's life. She indicated her concern that community members would choose other methods to travel, and risk their lives in doing so, should AMHS discontinue operation.

[6:02:02 PM](#)

LORETTA RICE requested full funding for AMHS. She related the significance and noted that AMHS is southeast's highway. She said that cutting funding would cripple all of Southeast Alaska and all coastal communities.

[6:02:35 PM](#)

CHRISTIE JAMIESON shared that she is a 60 year resident of Wrangell, a business owner, and a concerned citizen. She shared that she supports retaining AMHS to keep Southeast Alaska's economies thriving as AMHS is southeast's highway, much like the road highways of other communities. She relayed that the loss

of ferry service would affect student's ability to attend school activities and lead to a reduction in tourism, capital development, access to food, shipping of fish, access to medicine, and transportation of patients and pets. She noted the importance of AMHS in the case of a local or region wide disaster. She said, in closing, that connecting economies in Southeast Alaska allows for economies and people to thrive.

[6:03:47 PM](#)

JENNIFER DOZIER shared that she is a disabled veteran. She indicated that people need connection, not isolation. She echoed a previous testifier's comment that the elimination of ferries would be tantamount to an incarceration. She noted that the waterways of the Alexander Archipelago have been seafaring from the antiquity of time. She noted that communities' commerce and way of life are dependent on the coastal waters. She indicated that "this is one of the few places we help each other" and that now is not the time to take away a way of life.

[6:04:57 PM](#)

VICKIE BUNESS shared that she is a 60-year resident of Wrangell and that one of her earliest memories is running to the ferry to purchase an ice cream cone from the ship. She emphasized Wrangell's reliance upon AMHS for commerce and as a way to move goods, people, and services. She stated that her family uses the ferry for medical travel, work, and vacations. She implored the committee to retain funding for AMHS.

[6:05:46 PM](#)

MIKE LOCKABEY indicated that the proposed cuts to AMHS are a product of inadequately addressing AMHS' problems when the state had a \$14 billion surplus. He stated that AMHS keeps communities, commerce, and fisheries connected. He concurred that the current deficit requires action and budget cuts but urged the committee to keep communities connected.

[6:06:43 PM](#)

PATRICIA RELAY, Board President, Valdez Convention & Visitors Bureau, urged the committee to support AMHS. As a travel and tourism destination marketing organization, the members of Valdez Convention & Visitors Bureau (VCVB) rely upon AMHS. Valdez's tourism industry would dwindle with a diminished transportation system. She emphasized the value of tourism as a

resource within a diversifying economy. She advised investment into the marine highway in light of tourism's role in the economy; more than 2.25 million visitors come each year, which generates more than \$126 million in state revenue and \$88 million in municipal revenue.

[6:08:36 PM](#)

DAVID KENSINGER shared that he is a 40-year user of AMHS. He stated that he has tried, unsuccessfully, to reform the system for 20 years. He stated that it is important to fund AMHS and encouraged that the committee also consider reforms, without which budgetary concerns will continue in the future. He referenced the reform plan presented by Southeast Conference and urged its passage.

[6:09:36 PM](#)

LINDA SLAUGHT stated her opposition to the proposed cuts to AMHS. She shared that the ferry brought her and her family to Petersburg 25 years ago and accommodated road trips in the lower 48 and in Northern Alaska. The ferry also accommodated travel for her children's braces, for her children's school related activities, and for scouting trips. She emphasized the role that the ferry played in her family and stated that thousands of other families rely on the ferry as an integral part of their life. She encouraged full funding of AMHS.

[6:11:19 PM](#)

BOB BEHRENDIS thanked AMHS for providing great service. He shared that he and his wife are 30-year residents of Cordova, as well as small business owners. He stated that they have used the ferry for travel for high school sports, healthcare, and transporting supplies. He said that AMHS is "the lifeblood for Cordova," for businesses, schools, and kids. He stated that consistent year-round AMHS service is not a luxury but essential for Cordova, which is off the road system. He stated that it is critical that AMHS' service continue into the future.

[6:12:32 PM](#)

MICHELLE HAHN shared her belief that it is in the state's best interest for AMHS to receive full funding at FY 16 levels or higher. She stated that AMHS returns to Alaska's economy "more than two to one on the investment of every dollar spent from the general fund," which is sustained when healthy, thriving

communities, businesses, and individuals consequently generate more business; decreasing the investment into AMHS would be detrimental to all entities involved. She shared that she would prefer to pay a state income tax and receive reduced PFDs to maintain or increase essential state services. She further relayed that reforming AMHS may be necessary but should not be rushed.

[6:14:04 PM](#)

CAROLYN ROSEVERY urged full funding of AMHS. She shared that she is a florist and a 42-year resident of Cordova. She shared that she uses the ferry to access healthcare and to attend conferences. She stated that AMHS is the basis of their livelihood and provides interconnectivity of communities throughout Prince William Sound and southeast.

[6:15:04 PM](#)

PAUL JOHNSON, President and CEO, Highliner Consulting Group, LLC, shared that he grew up in Angoon, Yakutat, and Sitka. He stated that the budget, as presented, is cause for concern that Alaska would not be in compliance with "federal highways Title III, equal opportunity access to transportation dollars." He stated that nearly every community that's been represented has a tribal government with a tribal transportation director that has access to funds; the state could engage tribes in a meaningful partnership to address AMHS' under funding. He indicated that the testifiers are requesting the bare minimum and that many residents can attest to years of diminished service.

[6:16:36 PM](#)

HEATHER MCCLAIN shared that she previously lived in Juneau for three years and that AMHS is a vital resource for Alaska's coastal communities. She shared that people rely on AMHS to travel home, transport supplies, participate in high school sports, transport elders home, access healthcare, and ship cargo. She stated that it is not possible to fly into many of the communities that have been represented. She asked that the committee fund the marine highway, review the current operations, and consider how vital of a resource ferry service is for communities.

[6:17:45 PM](#)

TANIA HARRISON stated that she opposes the proposed cuts to the ferry, as AMHS is the road for remote communities. It is a vital link to other communities and privatization could make the service prohibitively expensive or unreliable. She reasoned that AMHS should be treated as any other state highway, which the state is expected to fund, operate, and maintain. She emphasized the imperativeness of AMHS and shared her support for a state income tax and a reduced PFD to allow the state to fund basic services.

6:18:40 PM

JEB MARROW expressed his agreement with previous testifiers. He added that if there were a reduction in air travel, options would be dramatically limited without ferry service. He referenced Representative Sharon Cissna's experience with the Transportation Security Administration (TSA); he noted that Representative Cissna opted to travel by ferry to Juneau rather than re-experience TSA's demeaning body search.

6:20:05 PM

PATRICIA ALEXANDER related her background as a hospital administrator and previous director of planning for the Department of Health and Social Services. She stated that today's deficit is the result of many years of unbalanced state budgets and that "we cannot cut our way out of this budget problem without consideration" of the possible impacts. She shared that her tribe has 30,000 tribal citizens, many of which live in Southeast Alaska. She shared her worry that they'll receive inadequate healthcare when poor weather limits travel options and the ferry isn't available. She posited that many people will die, particularly fragile elders, which is unacceptable. She stated her support for funding AMHS at the FY 18 level, the employment of Southeast Conference's analysis to guide change, and the use of AMHS' staff suggestions. She stated that she would support an income tax and a reduction in the PFD.

6:21:51 PM

VALERIE BROOKS shared her adamant opposition to a reduction in AMHS' funding. She relayed that she has lived in Southeast Alaska for almost 40 years, during which her family has traveled on AMHS numerous times to transport cars, receive healthcare, and participate in high school activities. She stated that the same level of service, dedicated employees, and travel

possibilities must exist for future generations. She urged against privatization and suggested collaboration with communities to create convenient schedules.

6:23:19 PM

DORINDA KEWAN, Mayor, City of Port Lions, shared that she is a lifelong resident of Port Lions and is speaking as the current Mayor of Port Lions and a long-time user of the Tustumena. She stated that her initial concern upon seeing the governor's proposed budget was the devastation it would cause for coastal Alaska. She shared that Port Lions no longer receives freight service from Seattle and that the airstrip only accommodates small planes, which often cannot fly due to inclement weather. She relayed that AMHS is a much more reliable form of travel to access Kodiak, Homer, and the road system as well as transport people, food, vehicles, building materials, and equipment. She expressed her support for increasing the Tustumena's efficiency by reducing the number of trips to ensure that the ship doesn't travel with significant vacancies. She encouraged legislators to treat AMHS as a highway and as a critical and essential part of Alaska's infrastructure, no different than the Parks and Glenn highways.

6:24:40 PM

PAT HOLMES noted the difficulty of working in Kodiak and the Aleutian islands prior to ferry service. He shared his support for full forward funding of AMHS, a return to an income and school head tax, a reduced PFD, and a review of the oil tax. He stated that AMHS was promised, planned, and implemented to parallel highway development on the mainland and has functioned very well until recently. He stated that the governor's proposed budget ignores the promises, planning, and benefits that preceded his administration. He shared his concurrence with previous testifiers.

6:25:53 PM

JENNIFER TORSSSEN, Board Member and Clerk, Ouzinkie Native Corporation and the City of Ouzinkie, shared her strong opposition to proposed cuts to AMHS. She stated that residents of Ouzinkie rely upon AMHS service to travel to Kodiak and Homer for groceries, as Ouzinkie does not have a store. Residents must also travel by ferry to access healthcare, as the weather is too variable for travel by air or skiff, and school aged children rely on the ferry to participate in school activities.

She reminded the committee that AMHS is the highway for traveling to and from Kodiak and Anchorage. She remarked that the proposed budget cuts feels disrespectful to coastal communities.

6:27:05 PM

ANDY KHMELLEN noted that he is a 27-year resident of Alaska. He shared that elementary school field trips to Haines, middle school trips for camping in Hoonah, and high school trips in Sitka, Wrangell, Petersburg, and Ketchikan would not have been possible without the ferry. He indicated that opportunities in education, cultural development, and athletics would have been dramatically different without ferry service. He shared that he has a four-year-old son, whom he would like to have the same opportunities while growing up in southeast. He expressed his support for a fully funded ferry with year-round service and indicated his willingness to receive a smaller PFD.

6:28:25 PM

DAVID BELL shared that he is a lifelong resident of Alaska and a deckhand on AMHS. He said that some of the statistics previously shared don't show what's seen on the boat, such as the transportation of fishing supplies, boats, and fishermen from Kodiak to the Aleutian Chain in the summer. He relayed that in September and October the Tustumena is full of hunters heading to Kodiak. In the winter, AMHS transports fish vans from Kodiak to Homer and back. He stated that all of this would be lost due to the proposed budget's cuts.

6:29:45 PM

ERLING WALL shared that he is an AMHS deckhand and has worked throughout Alaska: in Southcentral Alaska on the Tustumena, on the Aurora, in southeast on the Malaspina, Matanuska, Taku, and LeConte. He shared that he finds it concerning that new vessels are constructed as port specific rather than region specific. He noted that he's observed budget reductions to AMHS while there's the simultaneous construction of vessels that are poorly suited for the current infrastructure. When this occurs, they have to add crew quarters or doors to the vessels so that they can fulfill their unintended purpose. He indicated his dismay at the removal of the Tustumena replacement funds from the budget. He suggested building a new fleet in light of the current aging fleet, which brings with it costs of deferred maintenance.

6:31:04 PM

BRIAN LEAD noted that not a single previous testifier has suggested elimination of the ferries and that ferry service is clearly economically, socially, and culturally important. He indicated his confusion at the possibility of desolating "the communities that aren't on the rail belt just to subsidize some of the largest corporations in the world." He stated that he fully supports increased funding for AMHS.

6:31:49 PM

ANN MCPHERSON shared that she is a longtime Juneau resident and an employee representative for the state Supervisory Unit Local 4900. She spoke in full support of AMHS. She relayed that it is integral and necessary in Southeast Alaska and that the impact of reduced ferry service would be devastating. She relayed that the ferry system is southeast's only highway and is a vital connection between communities. She urged the committee to fund AMHS for year-round service to all communities.

6:32:44 PM

AMY SWEENEY relayed that the ferry system is a vital transportation artery for Southeast Alaska and is of equal importance as the land-based highways in Central Alaska. She noted that AMHS is not self-supporting, but land-based highways do not generate any revenue. She stated that the marine highway is essential to the economic and social fabric of Southeast Alaska communities. She relayed that she would relinquish her entire PFD and pay a state income tax, as well as pay for other state services and maintenance to Alaska's terrestrial highways, to sustain ferry service.

6:33:38 PM

RENEE TRAFTON, Owner and Chef, Beak Restaurant, stated that AMHS facilitates business across Southeast Alaska. She stated that without year-round ferry service her business, and other small businesses in Sitka, would lose access to service. She urged the committee to fully fund AMHS. She noted that she would be willing to forgo the PFD and pay and income tax.

6:34:15 PM

MATT TRAFTON shared that he was appalled to learn of the governor's proposed cuts to AMHS, especially after the governor made explicit campaign promises to not cut AMHS. Mr. Trafton shared that, without roads, the ferry is the only affordable means to transport people and supplies and that students, those with medical needs, small businesses, and others rely on AMHS. He stated that the governor's 75 percent cut would devastate the system and that he would much prefer a state income tax or a reduced PFD than a defunct ferry. He urged opposition to the proposed cuts.

[6:35:10 PM](#)

MARTINA KURZER mentioned that she works for Sitkans Against Family Violence, a shelter for survivors of domestic violence that serves Angoon, Kake, and Sitka. She shared that, oftentimes, individuals must urgently escape dangerous situations; she said, "The ferry is not only a lifeline, it is also an escape route." She stated that it would be troublesome to see the ferry eliminated because some people are physically unable to travel on an airplane, which can be grounded by inclement weather. She stated that they do not want survivors to be trapped in villages or island communities without a means of transportation.

[6:36:32 PM](#)

ANN PHIPPS GRAHAM emphasized the need for full year-round funding to maintain highway service afforded to other Alaskans. She stated that, for many years, ferry users have paid a fee while those that use a terrestrial highway have not. She relayed that many people rely on the ferries for transportation to school activities and healthcare. She furthered that the ferry service is often the only method of transportation for elder individuals who, due to medical conditions, are not able to use an airplane. She asserted that much like the people in Northern Alaska, those in Southeast Alaska rely on a highway system. She questioned the notion that AMHS ought to generate a profit.

[6:38:20 PM](#)

JESSICA WALLIN stated that she represents herself and her husband, who is a third generation Alaskan and a second generation AMHS employee. She requested that the committee fully fund AMHS and retain service. She stated that the DOT's purpose is to keep Alaska moving through infrastructure and,

according to their website, "serves every Alaskan every day." She shared her belief that the DOT will no longer be serving every Alaskan by cutting the ferry service in Southeast Alaska. She stated that the ferry is "the vein that keeps the heart of Southeast Alaska going." She stated that communities rely on AMHS for school travel, shipping needs, and transportation off the island. She relayed that her family relies on AMHS for their livelihood - as her husband has been a deckhand for 18 years - without which they may not be able to afford to live in Alaska. She urged the committee to maintain ferry service.

6:39:54 PM

CLAUDIA BOYD shared that she is a current employee of AMHS. She stated that the ferry is critical for all of the communities that it connects. She stated that it also brings in military members and international tourists. She stated the need to re-vamp the budget. She indicated her willingness to forgo a PFD and pay an income tax.

6:41:15 PM

KEVIN NYE relayed that he is a junior engineer on the M/V Kennicott. He indicated the role of AMHS in accommodating commerce. He opined that the proposed budget cuts are intended to save money but that, from his perspective, he sees wasteful spending in the shore-side engineering department. He noted the inefficiencies of fast ferries and their inability to handle the weather.

6:42:44 PM

PATRICK WELS stated his opposition to the proposed budget cuts. He relayed that the ferry is the reason his family lived in Hoonah, as the ferry to Juneau ensured that they could purchase groceries, access healthcare, and transport vehicles. He noted that the ferry system was never meant to pay for itself and that a 75 percent reduction is not feasible for dependent communities. He imparted his support for use of the PFD to fund AMHS.

6:43:45 PM

ANDREW CREMATA shared that he is a 23-year resident of Skagway. He stated that cutting back or eliminating ferry service would be detrimental to the health of the Skagway community. He noted that planes into Skagway are not equipped to fly by

instrumentation and are often unable to fly due to inclement weather. Community members must go to Juneau by ferry to access healthcare. He stated that for those with serious health issues, access to the ferry is a matter of "life or death." He stated that the ferry is not a luxury for Skagway, it is a necessity for children, adults, and seniors. He urged the full funding of AMHS.

[6:45:07 PM](#)

JERI CHESLOCK stated her opposition to the proposed budget cuts to AMHS. She shared that she is a senior citizen and is trying to build up her retirement. She stated that she relies on the ferry to bring her car to Juneau and to purchase groceries. She relayed that food is expensive in Hoonah and will become even more costly because the grocers also depend on the ferry system. She remarked that the proposed budget cuts will increase costs for food and other necessities, which will lead to layoffs and higher unemployment.

[6:46:24 PM](#)

INGRID CUMBERLIDGE shared that she is a member of the Aleutian East Borough Assembly and speaking on behalf of herself. She shared that any cuts to AMHS would devastate Southwest Alaska and the Aleutians, especially as schedules have already been significantly reduced. She stated that she does not support any "reapportion allocation" for the Tustumena replacement fund and that AMHS ought to be funded at the FY 16 level. She shared that ferry service is vital to the southwest communities, as it is the only connection for most of the villages within the borough and is used for school activities, construction, and the transportation of equipment. She shared her hope that the committee consider other options for AMHS and stated her willingness to give up her PFD.

[6:48:11 PM](#)

LILLY JAMES stated that the ferry system is the lifeline for community members. She indicated the need for a method of transportation that accommodates disabled individuals and noted that people must travel to access healthcare. She relayed that Hoonah needs the ferry to receive freight, schools need the ferry to participate in activities, and individuals need the ferry to attend celebrations, tournaments, and cultural events.

[6:49:04 PM](#)

JILL BOSKOFSKI stated that those in Ouzinkie use the ferry often and that it is considered their highway. She shared that she concurs with previous testifiers.

[6:49:56 PM](#)

GARY BOSKOFSKI shared that his family and the Ouzinkie community use AMHS often. He relayed that there isn't a store in Ouzinkie; community members must travel to Kodiak or Anchorage by plane or boat, but the ferry is the main mode of transportation. He noted that community members also rely on the ferry for access to healthcare.

[6:50:46 PM](#)

KATHERINE PANAMARIOFF expressed her support for continued funding for AMHS' year-round service. She emphasized the critical role of the ferry for the livelihood of remote communities, as it provides an option for affordable freight and connects community members to healthcare and the mainland.

[6:51:30 PM](#)

SAM STEPANOFF shared that he is a lifelong commercial fisherman. He indicated that AMHS plays an important role in providing access for communities on the Aleutian Chain. He noted that charter planes can be unaffordable for elders and large families.

[6:52:30 PM](#)

JIM STERNS noted that he doesn't personally use the ferry system but that "we're all in this together." He indicated that reducing funding for AMHS could set a poor precedent for providing services to remote areas if it is not considered cost effective. He stated that shortsighted cuts could lead to devastation in communities and diminished economies. He stated that government services are not intended to run as a corporation.

[6:54:00 PM](#)

ROBIN SHERMAN stated that she supports full funding of AMHS, as it is critical to the Sitka's local economy. She relayed that she recently transported a vehicle to Juneau that couldn't be repaired in Sitka. She affirmed that it would be less expensive

to pay for public services if the entire population were to live on the mainland. She said, "we don't need to solve our budget issues by pitting Alaskans against each other." She shared her willingness to receive a lower PFD and pay an income tax to support AMHS.

6:55:03 PM

RANIYAH BAKER stated that she is a year-round resident of Skagway. She requested that the committee fully fund AMHS. She imparted the social benefits of AMHS such as greater connectivity among southeast communities, access to healthcare, social cohesion, travel for school activities, and the ability for retailers to ship goods to remote communities. She stated that the ferry also transports tourists, supports a labor force, generates a tax revenue, and lowers the cost of living. She stated that without the marine highway, it would be considerably more expensive to live in rural Southeast Alaska. She maintained that it is necessary to act on the deficit and encouraged acting wisely. She suggested capping the PFD allocation to fund essential services.

6:56:08 PM

SALLY DYBDAHL asked that the committee continue funding AMHS. She relayed that inclement weather often makes air travel impossible between southeastern communities. She relayed that Hoonah doesn't have freight service by tugboat and barge between October and March and that local businesses, service providers, and governmental entities depend on the ferry. She noted that AMHS connects people to community and cultural events. She urged the continuation of funding for AMHS.

6:57:22 PM

DENISE FAGER stated that she is speaking on behalf of herself, her children, and her husband. She expressed her support for fully funding AMHS. She stated that the ferry is the primary mode of transportation for accessing school sports. She stated that Juneau is the hub for the southeast community, where she and her family visit for healthcare, sports, shopping, gas, and food. She related an anecdote of a recent visit to Juneau where individuals likely spent over \$25,000. She noted that AMHS accommodates the generation of revenue in southeastern communities.

6:58:44 PM

BRIAN HIMELBLOOM shared that he is a 32-year resident of Kodiak Island. He stated that AMHS contributes to the "blue economy" and will continue to do so into the future. He relayed that his high school aged kids use the ferry to participate in sports and that AMHS allows for schools to save money. He relayed that he's used the ferry for transportation for family vacations and personal travel. He urged the committee to keep AMHS functioning.

[7:00:22 PM](#)

JOANN BARSIC relayed her familial connection to the ferry system. She emphasized the importance of AMHS.

[7:01:11 PM](#)

DALE PIHLMAN shared that he is a lifetime resident of Southeast Alaska. He urged full funding for AMHS. He shared his willingness to give up his PFD and pay a tax to fund all of Alaska's basic services. He suggested paying attention to waste within the system caused by poor planning and management, such as the construction of catamarans despite their operational expense.

[7:02:51 PM](#)

CARL BRODERSEN imparted the difficulty imposed upon travelers by poor scheduling of ferry routes. He stated that AMHS has been reduced to "survival levels" of operation and is "in a death spiral of inconvenience and maintenance issues created by inadequate funding." The proposed cuts would eliminate ferry service and isolate communities that depend on AMHS for access to groceries, healthcare, and basic transportation. He emphasized the need for ferries and urged the institution of an income tax. In closing, he said, "I don't feel entitled to a check from my government. I feel entitled to have a government and the services it provides, like ferries."

[7:03:53 PM](#)

CHELSEA GAGNON shared that she works in healthcare. She relayed that the mobile mammography van is currently starting its tour through southeast, which would not be possible without AMHS. She indicated the strong likelihood of diminished health outcomes in the absence of ferry service.

7:04:54 PM

CATE ROSS shared that she was born and raised in Juneau and is now raising her own children here. She relayed a personal story of the Haines, Whitehorse, Skagway loop and experiences using the ferry for high school sports, which would have been prohibitively expensive without the ferry system. She relayed that she has traveled from the lower 48 to and from Alaska five times for school and seasonal work, as it was the only affordable method of transporting a vehicle. She shared that her father is a commercial fisherman who uses the ferry to transport gear and groceries to and from Hoonah. She urged full funding for AMHS, in perpetuity, so that future generations can have the same quality of life, which would not be possible without AMHS.

7:06:32 PM

DESIREE RODRIGUEZ, President, Health Care Unit 2201 of the International Longshore and Warehouse Union, shared that she is a healthcare worker at Bartlett Regional Hospital. She shared that approximately 7 percent of Bartlett's patients reside in small outlying communities and use AMHS to access healthcare in Juneau. Without the ferry, people wouldn't be able to access medical care and would face declining health. Bartlett, and other providers in Juneau, are the main source of healthcare for these individuals. She indicated the need for greater fiscal transparency and suggested auditing those that manage AMHS' money.

7:07:43 PM

ALLISON QUIGLEY shared that she is a 36-year resident of Craig and is representing her family. She shared that her family owns a business for exporting fresh and live seafood, which would not be operable without AMHS. She noted that ferry service is an important "safety valve" for Alaskans and businesses. She relayed that all of southeast relies on AMHS to travel, as do school aged children who travel for sports activities and elders. She emphasized that AMHS is Alaska's highway and implored committee members to realize Alaska's dependence on ferries and that eliminating wasteful spending would be more beneficial than cutting vital services.

7:09:01 PM

KATIE CRANEY shared that she and her husband operate a small tour business with locations in Haines and Skagway. She relayed that her business relies on the ferry for the safest and most cost-effective travel for services unavailable in Haines. She stated that, without ferry service, rural communities across the state would suffer culturally, socially, and economically. She urged committee members to continue funding AMHS.

[7:10:26 PM](#)

NICHELLE ROTIER stated that cutting AMHS appears to be a short-sighted solution to a long-standing challenge. She relayed that complete elimination of AMHS would be economically disastrous to all coastal communities. She stated that testimonies have revealed the importance of remaining connected. She relayed an anecdote that illustrated the importance of AMHS given that inclement weather can often ground planes. She related that AMHS' continuation ought not to be considered as optional, but a necessity. She expressed her willingness to receive a smaller PFD and suggested finding solutions rather than elimination.

[7:11:40 PM](#)

VIRGINIA LONG asked that the committee members maintain funding for AMHS, as it is Southeast Alaska's road. She shared that AMHS has previously been her only option to access healthcare when aircraft was inoperable. She noted that the ferry is the only accommodation for transporting vehicles to Juneau or moving supplies too large for or prohibited on planes. She relayed that the ferry is often the only method of transportation and is the only reliable means of reaching air travel outside of Alaska.

[7:13:03 PM](#)

MELODI ANDERSON, City of Ouzinkie, stated that rural areas rely on AMHS for jobs, access to larger cities, vehicle transportation, necessary supplies, building materials, and access to healthcare. She relayed that her nephew previously had leukemia and traveled on the Tustumena to receive treatment at an off-island facility. She noted that ferry service also gives people access to grocery stores, which Ouzinkie lacks, and the ability to transport large equipment, like Ouzinkie's fire trucks. She imparted that the ferry system is vital, necessary, and connects the state's remote areas to the mainland. She shared her willingness to receive a reduced PFD or pay taxes.

7:14:05 PM

CASEY JANTZ relayed that she is a 40-year resident of Kodiak. She shared her support for full funding for AMHS. She stated that ferries grant accessibility to the Alaska state highway system, a service that she does not consider a luxury but crucial to the economic health of the state. She said, "The massive cuts would have crippling effects," which can be prevented through adequate funding. She said that AMHS is "a gem of our state" and that a public/private partnership would be a "gross step backwards." She urged the full funding for AMHS.

7:15:22 PM

MICHAEL BOURAY relayed his concern for the proposed cuts. He shared that he relies on AMHS for access to healthcare, safety, and supplies. He shared that, in the case of safety recalls on vehicles, the only choice is to ship the vehicle to Anchorage for repair. He stated that AMHS is a necessity that the community relies upon.

7:16:09 PM

KARLA BOURAY shared that she is a retired sexual assault and domestic violence victim advocate. She imparted that reduced funding for AMHS would eliminate a victim's ability to transport a vehicle and children, effectively trapping them on the island during the winter. She relayed that she's used the ferry system for access to healthcare. She opined upon the possibility of strengthening the tourism industry to generate revenue rather than cut funding for AMHS.

7:17:05 PM

LLOYD JIM supported the sentiment of previous testimonies and imparted their importance to the Aleutian islands. He shared that he sat on the city council when the use of catamarans was proposed, despite feedback that they would inevitably require costly repairs.

7:18:46 PM

BROOKE LESLIE, Co-Owner, Alaska Waters, stated that AMHS is fundamentally a transportation system, similar to the land highway system, the removal of which would take away a lifeline to communities. She stated that defunding AMHS is not the solution to the budget crisis and agreed that the operating

model is outdated. She urged the committee to consider the recommendations of studies already conducted to make the system financially sustainable and protected from political influence and annual funding uncertainties. She stated that studies have not been conducted to see the economic impacts of AMHS' elimination, but that studies have shown that elimination would have substantial indirect impacts to local communities, businesses, the seafood industry, and for access to healthcare. She referenced a study by the Elliot Bay Design Group and the McDowell Group, which found the economic benefit of AMHS to be two to one, in which local communities receive most of the benefits. She stated that AMHS is a fundamental transportation system and requested the committee to consider alternative solutions to sustain the program.

[7:20:44 PM](#)

AMY RYDER, Union Treasurer, Local 200's Healthcare Unit 2201, International Longshore and Warehouse Union, shared that she works for Bartlett Regional Hospital and is testifying in solidarity with International Longshore and Warehouse Union (ILWU) members who work on and service AMHS. She stated that the loss of the marine highway would cause a ripple effect throughout the entire state and would mean the loss of well-paying union jobs. She suggested that privatization would funnel those funds and jobs to an out-of-state corporation. She stated her opposition to the proposed budget cuts for AMHS and noted that any further cuts would isolate the communities that rely heavily on ferry service. She indicated her willingness to contribute her PFD to fund AMHS and other community services that are on the proverbial chopping block with the governor's proposed budget.

[7:22:01 PM](#)

LIN DAVIS shared that she has is a 26-year Juneau resident and ferry user. She relayed an anecdote of her spouse, a doctor who worked in small villages, whose propensity for air sickness in small planes and necessitated relocating by the ferry. Ms. Davis shared that she previously worked at the Juneau Job Center for the Department of Labor and would regularly bring people from villages to Juneau and Ketchikan for classes, certifications, and exams. She urged full funding for AMHS.

[7:23:14 PM](#)

HEATHER PARKER shared her strong opposition to the proposed budget cuts to AMHS, as such actions would pose a serious threat to Alaskan communities. She stated her support for full funding and forward funding. She imparted that AMHS provides a vital transportation link and brings groceries, medicines, vehicles, and families to communities. She noted that budget cuts are short sighted and that, once dismantled, AMHS would be costly and difficult to rebuild. She opined that privatization is "unwise" and would threaten service to communities. She urged the committee to review the studies and presentations from the AMHS Reform Project and asked members of the committee and legislature to ensure that AMHS continues into the future.

[7:24:31 PM](#)

CORDOVA PLEASANTS shared that she is a lifelong ferry rider and a "major fan" of AMHS. She stated that she was representing her boutique, Resolute Boutique & Lifestyle. She sought to highlight the value of tourism to the state as accommodated by AMHS. She relayed an anecdote of a recent trip from Kodiak to Unalaska on the Tustumena. She stated that eliminating that road would be regressive; it is a highway and essential for economic activity. She remarked that reduced scheduling equates to reduced ridership.

[7:25:53 PM](#)

KEVIN SUND shared that he is a fifth-generation resident of Southeast Alaska. He stated that AMHS is an integral part of life for Coastal Alaska. He shared his disbelief that he was testifying for the very existence of AMHS, rather than increased funding or wage increases. He noted that the loss of well-paying year-round jobs would be felt throughout Alaska. He stated that the revenue generated from AMHS benefits Anchorage and Fairbanks and that the loss of jobs and revenue will have "a compounding impact that will irreparably damage" the state. He stated that the manufactured fiscal crisis, "immoral budget," and its consequent shortsighted path would be felt for generations in "trying to fulfill unrealistic campaign promises at the expense of Alaskans," which spurred him to wonder if Alaska remains a good state to raise a family.

[7:27:57 PM](#)

MARLENE ZUBOFF relayed that the whole community of Angoon relies upon AMHS. Some rely on AMHS to travel throughout southeast to receive healthcare, travel for education, purchase groceries,

and receive vehicle repairs. She referenced the economic benefits of AMHS, as found in the study conducted by the McDowell Group.

[7:29:21 PM](#)

PAULINE JIM stated that she previously sat on the city council and has worked with the southeast regional health corporation. She indicated the importance of AMHS for maintaining access to healthcare, education, vehicle maintenance, and other resources offered off the island. She imparted the value of attending cultural events across southeast. She said, "We want to continue, it's the only thing we have going for us educational wise that we can pass on to our younger generations." She stated that construction workers travel into Angoon by ferry and that, without them, community maintenance would be much more costly.

[7:31:11 PM](#)

PEGGY WILLIAM shared that she was speaking on behalf of her family. She imparted that her husband's health problems necessitate travel by ferry, as travelling by float plane is not possible.

[7:32:09 PM](#)

KIMBERLY PETERSON shared that she and her family have depended on AMHS for over forty years to travel between Kodiak and Juneau. She stated that there are 38 ports from Prince of Wales Island through southeast, the gulf, and out to the chain. She relayed the need for a new ship, as the Kennicott cannot dock at all ports on Kodiak Island or further west. She emphasized the importance of AMHS to the whole state.

[7:33:37 PM](#)

PATRICIA PHILLIPS shared that she serves on the Pelican City Council, is a tribal member of the Native Village of Afognak, is a 60-year resident of Alaska, and has spent 37 years in Pelican. She shared that she supports the Southeast Conference's AMHS Reform Project. She relayed that Pelican relies on the fishing industry and AMHS to accommodate the shipment of processed fish to markets.

[7:34:56 PM](#)

JEFFREY PETERSON relayed his surprise that some ports receive weekly or monthly ferry service, while Old Harbor receives service twice a year. He urged the committee to increase AMHS' budget so that additional communities may receive service.

[7:36:01 PM](#)

JACK GROMMETT shared that AMHS has been a foundational transportation resource for remote and rural communities since before statehood. He stated that the suggestion that the ferry is unnecessary, or a hindrance, is mistaken and ought to be reconsidered. He related the importance of AMHS to the community members of Southeast Alaska.

[7:37:09 PM](#)

MARTHA INDRELAND shared that she is the economic development coordinator for the city and borough of Yakutat. She urged the committee to fully fund and grow AMHS to maintain and improve cross gulf service. She stated that Yakutat doesn't have road access and the ferry is a growing economic asset for the community "as a conduit for tourism development and small business growth." She stated that a loss of ferry service would mean a loss in economic development. It's also the only way for residents to travel with their vehicles and provides affordable access to healthcare, pet care, business supplies, vehicle maintenance, cultural ceremonies, and other events. She urged full funding for AMHS.

[7:38:23 PM](#)

KENNETH STEWART stated that AMHS is the bridge that brings service to communities. He shared that he previously lived in the interior and moved to Kodiak 12 years prior. He indicated that he has seen communities fight to get routes to other destinations and that, when ferry service is eliminated, communities have to set up commercial alternatives. He stated that there's limited access to some communities, which suffer from an inability to transport services. He stated that it is critical to Alaska to support AMHS.

[7:39:37 PM](#)

ALLEN CHRISTENSON relayed that he is from Old Harbor. He shared that he has used the ferry throughout his life and that his children ride the ferry. He noted that he's the harbor master

and a new dock was constructed exclusively for the ferry. He expressed his appreciation for keeping AMHS.

7:40:10 PM

SEAN MCLEMORE stated that the marine highway is a unique and special resource for the state. He conveyed his shock and amazement that budget cuts were even being considered. He shared that without the Tustumena, he would not have been able to access Kodiak and "the town would be short one more schoolteacher." He stated that AMHS ties much of the state together. He relayed his disbelief that an elected official, elected for the good of the state, being an active part of letting AMHS fall apart. He urged the committee and the legislature to fully fund AMHS.

7:41:37 PM

LILLIAN WOODBURY shared that she is a resident of Juneau but lived in Angoon until five years ago. She shared that she is a lifelong user of AMHS. She stated that AMHS is much more than a highway system, it is a lifeline, especially for the village of Angoon. She relayed that there isn't a barge service, charters are too expensive, and float planes do not accommodate elders. She stated that city infrastructure maintenance wouldn't be possible without AMHS, as Angoon does not have barge service. She shared her hope that the committee will fully fund AMHS and consider the impact of their decisions.

7:43:12 PM

LAURA STATS shared that she has resided in Juneau for 37 years. She suggested the institution of an oil tax, income tax, and a capping of the PFD to pay for services. She indicated that the committee is aware of the importance of the marine highway to Juneau and the interior. She encouraged the legislature to form a bipartisan coalition to overturn the governor's proposed budget cuts. She thanked the committee for their work.

7:44:33 PM

CHEYENNE CUELLER relayed that she uses the ferry to vacation locally throughout southeast, Kodiak, and Unalaska. She expressed her desire to live in a state with functioning public services. She advised that funds to pay for the ferry service could be made available by capping the PFD allocation. She urged a restoration of funding to AMHS.

7:45:19 PM

LATOYA HARTLEY stated that AMHS is a lifeline for the Native Village of Port Lions. She indicated Alaska lacks the transportation infrastructure of other states and relies upon AMHS for connections. She posited that AMHS is much like Fairbanks' Parks Highway, as people rely upon the Tustumena for their commute. She said, "Our ability to live in our homeland is the utmost importance the sustainability of our culture." She relayed that the Tustumena is the only means of affordable travel to Kodiak and to the mainland and necessary for accessing healthcare, purchasing groceries, vehicle maintenance, and transport construction materials. She stated that two key issues affect the community of Port Lions: losing affordable access to mainland Alaska and the proposed capital budget shift for the Tustumena replacement fund. She emphasized the importance of safe and affordable travel for rural residents.

7:47:00 PM

SUSAN TYLER shared that she is a 49-year resident of Alaska and co-owner of Icy Straits Lumber & Milling. She shared that the state encouraged the growth of businesses in remote communities under the belief that a road system would exist. She emphasized the importance of AMHS to the operation of businesses and access to healthcare, groceries, school, and family travel. She stated that Alaskans are dependent upon AMHS as a way of life and that its elimination would be detrimental to those in remote communities. She noted that a solution takes time and discouraged a sudden change that affects the health, quality, and way of life for so many Alaskans.

7:48:21 PM

JOHN ERICKSON shared that he is the city and borough land manager of Yakutat. He stated that the people of Yakutat want to preserve AMHS and its service to Yakutat, otherwise much of the commerce and economic activity would diminish or be eliminated. He shared his worry for public/private partnerships, which would be a "caricature" of the current AMHS with service only going to profitable routes. He related that, despite the governor's rhetoric, reduced AMHS service or elimination would close Yakutat for business.

7:49:29 PM

AMY GILSON shared that she is a year-round resident and strongly opposes the proposed budget cuts to AMHS. She shared her agreement with previous testifiers and noted that this proposed budget would impose economic losses to coastal communities. She noted that a reduced schedule to the community could still be viable, as long as it were consistent and year-round. She suggested the use of an income tax and a cap on the PFD to fund state services.

[7:51:02 PM](#)

TINA MARTIN stated that eliminating ferry service to Hoonah would lead the town to "dry up," as AMHS is the only highway the community can access. There is one airline for 800 people and is often full; without the ferry there would be no other option to leave. She acknowledged that the state is fiscally strained but asked that the committee retain service between Hoonah and Juneau. She urged against the institution of an income tax and capping of the PFD.

[7:52:21 PM](#)

LORETTA PITTMAN asked the legislators to fully support AMHS, as it is the only highway to remote communities.

[7:52:51 PM](#)

AARON STCLAIR expressed his desire to see continued operation of AMHS, as many island communities depend on the marine highway. He relayed that inclement weather often inhibits flying. He urged the committee to continue ferry operation.

[7:53:30 PM](#)

KAY KLIMCZAK urged full funding of AMHS, as it is an essential and critical part of life in Angoon and other coastal communities. She stated that Alaska is a unique state in its geographic profile. She questioned the severe and seemingly punitive treatment of coastal communities by eliminating the only access off the island. She questioned if these communities were not entitled to safe and dependable transportation. She implored the committee to continue, improve, and expand AMHS.

[7:54:50 PM](#)

GREG WEAVER shared that he is a lifelong Alaskan that has "worked in every corner of this state," from Metlakatla to

Barrow and from Kaktovik to Cold Bay. He sought to remind those that live in coastal communities that they could live elsewhere. He expressed his complete indifference to the issues associated with living on an island. He stated that those living on the coast are "part of the problem" for taxpayers.

[7:56:00 PM](#)

ROBERT HUTTON shared that he has used the ferry since 1977 and that ferry service is vital to communities that do not have a tie to the road system. The cost of goods is high and, without AMHS, would become exorbitant. He relayed his concern for the effect of the proposed cuts upon the ability for students to participate in extracurricular activities.

[7:56:50 PM](#)

ALBERTA SALEEN relayed that senior citizens and individuals with disabilities that have difficulty getting on planes and ultimately chose to use the ferry. She urged full funding for AMHS.

[7:57:57 PM](#)

JAMES HOLCOMB relayed that Yakutat is very dependent on ferry service. With an already high cost of living, cancelling ferry service would devastate the community as Yakutat's local economy depends heavily on AMHS. He stated that many local businesses wouldn't be able to survive without AMHS. He further emphasized the importance of maintaining AMHS.

[7:59:11 PM](#)

SHERYL KELLY stated that the loss of AMHS would create an economic hardship felt throughout southeast. She indicated that the ferry provides access to healthcare and accommodates travel for those that are disabled. She stated that education costs would increase with a loss of ferry service. She urged the committee to move forward and retain services with necessary adjustments.

[8:00:22 PM](#)

GILBERT FRED shared his agreement with previous testifiers. He stated that the budget deficit would not be ameliorated by cuts to the PFD.

[8:01:49 PM](#)

PETER ANDERSON relayed that he is representing the City of Chignik. He asked for continued funding for ferry service to Southwest Alaska. He relayed that AMHS is used to transport fishermen and crew, groceries, vehicles, and cargo every summer and that it brings economic growth to Chignik through tourism.

[8:02:31 PM](#)

KIMBERLY NATHAN shared that she has lived in Alaska since 1963. She relayed that AMHS is a vital part of Alaska's infrastructure, not only as a lifeline but also as a cultural and historically significant institution to the state. She emphasized the importance of not only sustaining AMHS service but increasing funding. She remarked that peoples' lives depend on ferry service.

[8:03:28 PM](#)

JAMES FOSTER discouraged privatization of AMHS and referenced Canada's experience with privatization, which lead to increased fares, reduced schedules, and unhappy customers.

[8:04:59 PM](#)

JOCELYN MILES shared that she moved to Alaska five years ago from the lower 48. She opined that there should be increased AMHS coverage. She suggested allocating other sources of revenue to fund AMHS, such as those generated by the marijuana tax. She supported comments made by previous testifiers that have stressed the importance of AMHS to coastal communities. She emphasized her opposition to reducing services and the need for alternative solutions.

[8:06:17 PM](#)

PATRICK PHILLIPS shared that he has worked on the marine highway for 20 years and is a deck officer. He stated that AMHS is "broken as it is right now" and needs to be fixed. He relayed that ferries sometimes travel at only 40 percent of capacity. He stated that ships are poorly managed and suggested that this may be because the AMHS is appointed by the governor. He suggested that the legislature empower AMHS employees to assist with improvements to ferry service. He stated that suggestions made in the McDowell Group's initiative has been ignored.

8:08:08 PM

DARREN MULLER shared that the community members of Ouzinkie appreciate the current ferry service. He stated that he supports full funding for AMHS with year-round service. He stated that Kodiak's inclement weather can often pose challenges and limit the use of small planes. He stated that AMHS is a highway and critical for access to other communities, healthcare, groceries, and other opportunities. He urged retaining the Tustumena replacement fund and stated that he does not support the privatization of AMHS.

8:10:02 PM

MARY KATASSE shared that she is a lifelong Alaskan and user of AMHS. She stated that the ferry accommodates life in Alaska and that the cuts already made have negatively impacted communities. She stated that further cuts would devastate constituents' ability to access healthcare, educational opportunities, groceries, home and vehicle maintenance, construction equipment, and way of life. She urged legislators to vote against cuts to AMHS.

8:11:24 PM

AMANDA DAVIS shared she and her family use the ferry to purchase groceries and supplies at an affordable cost and bring them back to Kake. She relayed that her family would not be able to travel by plane and would be unable to afford a car rental or the freight to transport groceries home. She shared that with a ferry shortage last winter her two college-aged daughters were weathered in Kake an extra week, which caused them to miss school and incur additional travel expenses. She said that the elimination of the ferry would force her family to move away from her home and extended family. She noted the need for AMHS to accommodate access healthcare, travel for her amputee father, vehicle repairs, and safe traveling for school sports.

CO-CHAIR STUTES noted the level of interest and public concern for retaining AMHS. She stated that if people will be able to testify on Thursday can offer public testimony by email and hard copy too.

8:13:29 PM

REPRESENTATIVE STORY thanked the people who testified and for providing their perspective.

8:13:37 PM

CO-CHAIR STUTES noted that AMHS is "an important part of life" in Alaska, evidenced by the testimony heard.

8:13:46 PM

ADJOURNMENT

There being no further business before the committee, the Transportation Standing Committee meeting was adjourned at 8:14 p.m.